Employment Insurance

2011 Monitoring and Assessment Report

Canada Employment Insurance Commission (CEIC)
Commission de l'assurance-emploi du Canada (CAEC)

Canada

CEIC-001-06-12E

Canada Employment Insurance Commission (CEIC) | Commission de l'assurance-emploi du Canada (CAEC)

March 2012

The Honourable Diane Finley
Minister of Human Resources and Skills Development
Place du Portage, Phase IV
140 Promenade du Portage
Gatineau, Quebec
K1A 0J9

Dear Minister Finley:

We are pleased to present the *2011 Employment Insurance Monitoring and Assessment Report*, the fifteenth in a series of annual reports submitted by the Canada Employment Insurance Commission, under section 3 of the *Employment Insurance Act*.

This report, which covers the period from April 1, 2010 to March 31, 2011, analyzes the overall effectiveness of EI income benefits, active measures and service delivery. In particular, the report focuses on the responsiveness of the EI program during the first complete fiscal year of recovery since the late-2000s recession. It also provides an in-depth examination of the impacts of the temporary EI measures that were introduced as part of Canada's Economic Action Plan.

As in previous years, we relied on key studies and evaluations to complement EI administrative data and to provide a deeper analysis. Information on each of the studies referenced in the report is included in an annex.

In closing, we would like to express our appreciation to Human Resources and Skills Development Canada and Service Canada employees for their support in preparing this report.

We trust you will find the report informative.

The original version was signed by:

Ian Shugart
Chairperson

Mary-Lou Donnelly
Commissioner for Workers

Judith Andrew
Commissioner for Employers

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INTRODUCTION

Monitoring and assessing the Employment Insurance (EI) program helps provide a clear understanding of its impact on the Canadian economy and its effectiveness in addressing the needs of Canadian workers, their families and their employers.

THE CANADA EMPLOYMENT INSURANCE COMMISSION

The Canada Employment Insurance Commission (CEIC) has been assigned the legislated mandate to annually monitor and assess the EI program. The Commission must provide the Minister of Human Resources and Skills Development with its annual report no later than March 31. The Minister then tables the report in Parliament.

The CEIC operates at arms-length from the Government of Canada and plays a key role in managing the EI program. In addition to the production of this report, the CEIC is responsible for supporting the EI appeal system, making regulations with the approval of the Governor-in-Council and reviewing, as well as approving, policies related to EI program administration and delivery. The Commission has four members, representing the interests of government, workers and employers. The Commissioner for Workers and the Commissioner for Employers are appointed by the Governor-in-Council for terms of up to five years. They are mandated to represent and reflect the views of their respective constituencies. The Chairperson and Vice-Chairperson are, respectively, the Deputy Minister and Associate Deputy Minister of Human Resources and Skills Development Canada (HRSDC), and can be said to represent the interests of government. The CEIC fulfills the above mandate by analyzing to what extent the current program meets the objectives set out in the *Employment Insurance Act*.

THE REPORT

The *EI Monitoring and Assessment Report* is produced under the direction and guidance of the CEIC. Officials with HRSDC and Service Canada support the CEIC in preparing the report. The report relies on multiple sources of information to provide a comprehensive analysis of the EI program, including administrative data, Statistics Canada survey data and peer-reviewed evaluation studies, as well as internal and external reports. As such, the content of this report provides valuable information and evidence with respect to the EI program and the labour market.

This year's report focuses on the responsiveness of the EI program during the ongoing recovery following the late-2000s recession. It also examines in detail the impacts of the temporary EI measures introduced as part of Canada's Economic Action Plan.

The first chapter of this report provides an overview of the benefits and support offered by the EI program. The second chapter discusses the state of the Canadian labour market in 2010/11.

The third chapter presents an overview of EI benefits (income benefits) provided under Part I of the *Employment Insurance Act* for the same period. The support provided to unemployed workers through active re-employment measures, under Part II of the *Employment Insurance Act*, known as Employment Benefits and Support Measures, is discussed in the fourth chapter. The fifth chapter

presents information on EI program administration and service delivery. The sixth and final chapter analyzes the impacts and effectiveness of the EI program in relation to individuals and to the economy at large.

LEGISLATED MANDATE

Section 3 of the *Employment Insurance Act* assigns the CEIC the legislated mandate to produce the *EI Monitoring and Assessment Report* on an annual basis:

"3. (1) The Commission shall monitor and assess the impact and effectiveness, for individuals, communities and the economy, of the benefits and other assistance provided under this Act, including:

(a) how the benefits and assistance are utilized by employees and employers, and

(b) the effect of the benefits and assistance on the obligation of claimants to be available for and to seek employment and on the efforts of employers to maintain a stable workforce.

(2) The Commission shall report to the Minister on its assessment annually no later than March 31 following the end of a year. The Commission shall make any additional reports at any other times, as the Minister may request."

EXECUTIVE HIGHLIGHTS

The 2011 Employment Insurance (EI) Monitoring and Assessment Report examines the EI program for fiscal 2010/11. Unless otherwise indicated, these highlights compare changes from 2009/10 to 2010/11.

Canada's economy and labour market continued to recover after the late-2000s recession

- Real gross domestic product grew by 2.9% from the first quarter of 2010 to the first quarter of 2011.
- Average annual employment increased by 293,700 (+1.7%), after declining by 210,600 (-1.2%) in the previous year. In addition, the average annual unemployment rate dropped from 8.4% to 7.9%.

After two years of significantly higher volumes, the number of claims and amount paid for regular and Work-Sharing benefits declined

- New regular claims decreased by 13.6% to 1.4 million, which is only 7.9% higher than the figure recorded in 2007/08, prior to the recession. Regular benefits paid decreased by 12.4% to $12.3 billion.
- New Work-Sharing claims decreased by 83.5% to 21,080, and Work-Sharing benefits paid decreased by 66.6% to $98.3 million.

Service Canada continued to respond to more EI claims than it had normally handled prior to the late-2000s recession

- Service Canada processed 2.9 million initial and renewal EI claims, with a payment accuracy rate of 94.0%. This claim volume is 9.1% lower than the volume in 2009/10 but 11.6% higher than that in 2007/08.
- Almost 84% of claimants received their first payment or non-payment notification within 28 days of submitting their claim, surpassing the 80% performance target for speed of payment.

With the decline in regional unemployment rates, eligibility for and entitlement to EI regular benefits began to return to pre-recession levels

- In March 2011, approximately 80% of workers had easier access to regular benefits compared with the onset of the recession (October 2008), which is lower than the figure in March 2010 (90%).
- Among unemployed workers who had been paying EI premiums and were then laid off, 83.9% were eligible for EI benefits in 2010, a decrease of 2.3 percentage points from 2009.
- The average regular benefit entitlement decreased from 42.8 weeks to 36.0 weeks.

EI claimants continued to benefit from the last year of the Economic Action Plan (EAP) temporary measures

- As of March 31, 2011, 1.4 million EI claimants had received $2.9 billion in additional benefits due to the temporary EI measures.
- The average regular benefit entitlement exhaustion rate for claims established in 2009/10 decreased significantly to 24.8%, which is below the pre-recession rate (28.4% in 2007/08).

Historically unaffected by economic cycles, special and fishing benefits decreased during and after the late-2000s recession

- New special benefits claims decreased by 2.2% to 499,270.
- Continuing the downward trend seen since 2004/05, new fishing claims decreased by 2.6% to 28,533.

The EAP investment of $1 billion over the last two years increased the availability of Employment Benefits and Support Measures (EBSM) interventions

- Provinces and territories delivered more than 2.5 million EBSM interventions to 1.5 million unemployed individuals in 2009/10 and 2010/11.
- In 2010/11 alone, more than 756,045 unemployed individuals participated in 1,175,525 EBSM interventions.

CHAPTER 1

EMPLOYMENT INSURANCE AT A GLANCE

The Employment Insurance (EI) program contributes to the economic well-being of workers by providing assistance to individuals who are laid off or are unable to work due to specific life circumstances, and by helping unemployed people across the country find employment.

The Unemployment Insurance program was first implemented in 1940, with the last major reform occurring in 1996. At that time, the name of the program was changed from "Unemployment Insurance" to "Employment Insurance," to reflect the program's primary objective of promoting employment in the labour force and to better emphasize that individuals' access to the program is linked to significant work attachment.

This chapter provides an overview of EI benefits under Part I and Part II of the *Employment Insurance Act*. The first section outlines accessibility requirements and the way entitlement to EI Part I benefits is determined. The second section summarizes the programming offered under Part II of the *Employment Insurance Act*, which helps workers to prepare for, find and maintain employment. The third section briefly discusses the relationship between Part I and Part II of the EI program. This section also includes an overview of the temporary EI measures introduced as part of Canada's Economic Action Plan.

I. EI PART I

Part I of the EI program provides temporary financial assistance to workers who have lost their job through no fault of their own while they look for work or upgrade their skills. EI Part I also provides assistance to workers who are sick, pregnant, or caring for a newborn or adopted child, as well as those caring for a family member who is gravely ill with a significant risk of death.[1]

1. Historical Background

The reforms implemented in the *Employment Insurance Act* of 1996 reinforced the program's insurance principles by establishing a new benefit structure and new rules for frequent claimants.[2,3] The program also became more responsive to the changing nature of work by moving from a week-based to an hours-based eligibility system and instituted a new premium structure so that individuals pay premiums on all earnings up to an annual maximum. In addition, a number of other changes were implemented, such as the introduction of the Family Supplement provision, the increase in eligibility requirements for new entrants and re-entrants, and the reduction in the maximum entitlement from 50 to 45 weeks. While there have been ongoing changes to the program since 1996, these reforms remain the foundation of the current EI program.

For more detailed information on recent legislative and temporary changes to the EI program implemented during and after the 1996 EI reform, please see Annex 1.

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1 More information on the EI program is available on the Service Canada web site at: **http://www.servicecanada.gc.ca/eng/sc/ei/index.shtml**.

2 Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.

3 The intensity rule for frequent claimants was repealed in 2001. See Annex 1 for more information on this rule.

2. Benefits

There are a number of types of benefits available under EI Part I: regular, fishing, Work-Sharing and special benefits (maternity, parental, sickness and compassionate care). As access and entitlement to benefits vary depending on the benefit being discussed, they are examined by benefit type. However, the calculation of weekly benefit rates is the same for all benefits and, therefore, will not be discussed separately (see subsection I.4).

2.1 Regular Benefits

EI regular benefits are available to individuals who lose their jobs through no fault of their own—due, for instance, to a shortage of work or seasonal layoffs, or because they quit with just cause—and who are available for and actively seeking employment.

2.1.1 Access Requirements

To qualify for regular benefits, individuals must have been without work and without pay for at least seven consecutive days. In addition, they must have accumulated the required number of insurable hours in the last 52 weeks before their claim or since the start of their last EI claim (known as the qualifying period), whichever is shorter. As shown in Table 1, the required number of insured hours is based the unemployment rate in the economic region where the individual resides, a feature of the EI program that is known as the Variable Entrance Requirement (VER). Annex 7 provides the VER and unemployment rates for the 58 EI economic regions.

Currently, most individuals require between 420 and 700 insurable hours to qualify for EI regular benefits. However, individuals who recently entered the workforce for the first time or those who are re-entering the workforce after an absence of two or more years—known as new entrants and re-entrants (NEREs)—require 910 hours of work to qualify, regardless of the unemployment rate in the region where they reside. NEREs are defined as those with fewer than 490 hours of labour force attachment in the pre-qualifying period, which is the 52-week period before the qualifying period.

For the purposes of the NERE provision, labour force attachment comprises insured hours of work, as well as time spent on EI, workers' compensation, disability benefits, sick leave and approved training. Each week of labour force attachment is considered to be 35 hours, with the exception of insured hours of work, which are considered at face value. It should be noted that parents with fewer than 490 hours of labour force attachment in their pre-qualifying period, who received EI maternity or parental benefits in the four years prior to that pre-qualifying period, are not treated as NEREs and qualify with 420 to 700 hours of work as per Table 1.

2.1.2 Entitlement

As per EI legislation, the maximum number of weeks of regular benefits payable varies from 14 to 45 weeks, depending on the number of insurable hours used to establish the claim and the unemployment rate in the region where the claimant resides (see Table 2). The higher the regional unemployment rate and number of insured hours worked by the individual, the higher the entitlement (up to the maximum of 45 weeks).[4,5]

TABLE 1

Number of Hours of Insurable Employment Required to Qualify for Benefits

Regional Rate of Unemployment	Required Number of Hours of Insurable Employment in the Last 52 Weeks
6% or less	700
6.1% to 7%	665
7.1% to 8%	630
8.1% to 9%	595
9.1% to 10%	560
10.1% to 11%	525
11.1% to 12%	490
12.1% to 13%	455
13.1% or more	420

[4] The Extension of EI Regular Benefits temporary measure introduced as part of the Economic Action Plan increased the maximum number of weeks payable from 45 to 50 weeks in all regions. Please see subsection III.2.1 for more information on this measure.

[5] The Extended EI Benefits pilot project increases regular benefit entitlement by 5 weeks in the pilot regions to a maximum of 45 weeks. Please see subsection I.5.3 for more information on this pilot project.

TABLE 2

EI Regular Benefits Entitlement

Number of hours of insurable employment	Regional Unemployment Rate											
	< 6%	6.1%–7.0%	7.1%–8.0%	8.1%–9.0%	9.1%–10.0%	10.1%–11.0%	11.1%–12.0%	12.1%–13.0%	13.1%–14.0%	14.1%–15.0%	15.1%–16.0%	> 16%
420–454	0	0	0	0	0	0	0	0	26	28	30	32
455–489	0	0	0	0	0	0	0	24	26	28	30	32
490–524	0	0	0	0	0	0	23	25	27	29	31	33
525–559	0	0	0	0	0	21	23	25	27	29	31	33
560–594	0	0	0	0	20	22	24	26	28	30	32	34
595–629	0	0	0	18	20	22	24	26	28	30	32	34
630–664	0	0	17	19	21	23	25	27	29	31	33	35
665–699	0	15	17	19	21	23	25	27	29	31	33	35
700–734	14	16	18	20	22	24	26	28	30	32	34	36
735–769	14	16	18	20	22	24	26	28	30	32	34	36
770–804	15	17	19	21	23	25	27	29	31	33	35	37
805–839	15	17	19	21	23	25	27	29	31	33	35	37
840–874	16	18	20	22	24	26	28	30	32	34	36	38
875–909	16	18	20	22	24	26	28	30	32	34	36	38
910–944	17	19	21	23	25	27	29	31	33	35	37	39
945–979	17	19	21	23	25	27	29	31	33	35	37	39
980–1,014	18	20	22	24	26	28	30	32	34	36	38	40
1,015–1,049	18	20	22	24	26	28	30	32	34	36	38	40
1,050–1,084	19	21	23	25	27	29	31	33	35	37	39	41
1,085–1,119	19	21	23	25	27	29	31	33	35	37	39	41
1,120–1,154	20	22	24	26	28	30	32	34	36	38	40	42
1,155–1,189	20	22	24	26	28	30	32	34	36	38	40	42
1,190–1,224	21	23	25	27	29	31	33	35	37	39	41	43
1,225–1,259	21	23	25	27	29	31	33	35	37	39	41	43
1,260–1,294	22	24	26	28	30	32	34	36	38	40	42	44
1,295–1,329	22	24	26	28	30	32	34	36	38	40	42	44
1,330–1,364	23	25	27	29	31	33	35	37	39	41	43	45
1,365–1,399	23	25	27	29	31	33	35	37	39	41	43	45
1,400–1,434	24	26	28	30	32	34	36	38	40	42	44	45
1,435–1,469	25	27	29	31	33	35	37	39	41	43	45	45
1,470–1,504	26	28	30	32	34	36	38	40	42	44	45	45
1,505–1,539	27	29	31	33	35	37	39	41	43	45	45	45
1,540–1,574	28	30	32	34	36	38	40	42	44	45	45	45
1,575–1,609	29	31	33	35	37	39	41	43	45	45	45	45
1,610–1,644	30	32	34	36	38	40	42	44	45	45	45	45
1,645–1,679	31	33	35	37	39	41	43	45	45	45	45	45
1,680–1,714	32	34	36	38	40	42	44	45	45	45	45	45
1,715–1,749	33	35	37	39	41	43	45	45	45	45	45	45
1,750–1,784	34	36	38	40	42	44	45	45	45	45	45	45
1,785–1,819	35	37	39	41	43	45	45	45	45	45	45	45
1,820+	36	38	40	42	44	45	45	45	45	45	45	45

2.2 Fishing Benefits

EI fishing benefits are paid to self-employed fishers. For the purposes of EI fishing benefits, a self-employed fisher is a person engaged in fishing, which includes making a catch or doing any work incidental to making or handling a catch (such as loading, unloading, transporting or curing the catch made by the crew of which the person is a member). It also includes those involved in constructing a fishing vessel for their own use or for the use of the crew of which the person is a member in order to make a catch.

2.2.1 Access Requirements

To be eligible for fishing benefits, a fisher must be self-employed and unable to qualify for regular non-fishing benefits.[6] Eligibility for fishing benefits is determined by the claimant's insurable fishing earnings accumulated during the qualifying period, rather than the number of hours worked. For fishing benefits, each dollar earned in self-employed fishing is insurable, based on the share arrangement of the crew. As illustrated in Table 3, the amount of earnings fishers need to qualify ranges between $2,500 and $4,200, depending on the regional unemployment rate.

TABLE 3
Self-Employed Fishing Earnings Required to Qualify for Fishing Benefits

Regional Rate of Unemployment	Self-Employed Fishing Earnings ($)[7]
6% or less	4,200
6.1% to 7%	4,000
7.1% to 8%	3,800
8.1% to 9%	3,600
9.1% to 10%	3,400
10.1% to 11%	3,200
11.1% to 12%	2,900
12.1% to 13%	2,700
13.1% or more	2,500

In addition, within the labour force attachment period (the 52 weeks preceding the start date of the fishing benefit qualifying period), a fisher must have done one or more of the following to be eligible for fishing benefits:

- accumulated at least $3,000 from self-employment in fishing; or,
- accumulated at least 490 hours of other labour force attachment related to fishing.[8]

If the individual who is applying for fishing benefits just started working as a self-employed fisher or is returning to fishing after an absence of a year or more preceding the qualifying period, the fisher is considered a NERE. A fisher who is a NERE must have $5,500 or more in insurable earnings from employment as a fisher. However, fishers who received one week or more of maternity or parental benefits in the 208 weeks before the labour force attachment period are not considered NEREs.

Fishing claims have a 31-week maximum qualifying period and there are two separate qualifying periods per year. The earliest start date for the qualifying period for summer benefits is the week of March 1 and the earliest start date for the qualifying period for winter benefits is the week of September 1.

2.2.2 Entitlement

Fishing claims have a maximum entitlement of 26 weeks, depending on the regional unemployment rate and the total amount of fishing earnings accumulated during the qualifying period. As previously discussed, a self-employed fisher can qualify for two fishing benefit periods within a given calendar year. The benefit period for a summer claim starts in or after the week of October 1 and must end no later than the week of June 15. The benefit period for a winter claim starts in or after the week of April 1 and must end no later than the week of December 15.

[6] If an individual worked in the fishing industry as an employee, he or she may be eligible for regular or other types of EI benefits.

[7] These amounts have remained the same since 1996.

[8] Examples of labour force attachment related to fishing include receiving EI fishing benefits; participating in authorized training related to fishing; receiving workers' compensation for a fishing injury; or benefiting from employment measures related to fishing.

2.3 Work-Sharing Benefits

The Work-Sharing program is designed to help employers and employees avoid temporary layoffs when there is a reduction in the normal level of business activity that is beyond the control of the employer. The program does so by spreading the work reduction across all of the employees in the work unit rather than laying off a portion of the unit. The Work-Sharing program provides income support to employees eligible for EI benefits who work a temporarily reduced work week.

Work-Sharing agreements help employers retain skilled employees and avoid the costly process of recruiting and training new employees when business returns to normal levels. These agreements also help employees maintain their skills and job by supplementing their wages with EI regular benefits for the days they are not working. Work-Sharing agreements must be approved by the employer, the employees and their representatives (if applicable), and the EI Commission.

2.3.1 Access Requirements

Access requirements for Work-Sharing benefits are the same as those for regular benefits (see subsection I.2.1.1 and Table 1).

2.3.2 Entitlement

Participating in a Work-Sharing agreement does not reduce the number of weeks of regular benefits payable for workers laid off following participation in the Work-Sharing program. According to EI legislation, Work-Sharing agreements can last from 6 to 26 weeks, with the possibility of a 12-week extension for a maximum agreement of 38 weeks.[9]

2.4 Special Benefits

Special benefits provide support to employees or self-employed persons who are sick, pregnant, or caring for a newborn or adopted child, as well as those caring for a family member who is gravely ill with a significant risk of death. These include maternity and parental benefits, sickness benefits, and compassionate care benefits.

Maternity benefits are payable to the birth mother or surrogate mother, while parental benefits can be shared by parents caring for their newborn or newly adopted child. Sickness benefits are available to individuals who are unable to work because of sickness, injury or quarantine. Compassionate care benefits are available to persons who have to temporarily take time off work in order to provide care or support to a family member who is gravely ill and facing a significant risk of death. Compassionate care benefits are also available to those who are considered family by the gravely ill person, such as a close friend or neighbour. Weeks of compassionate care benefits can also be shared with other members of the family.

Since 2006, the Province of Quebec has been responsible for providing maternity, parental and adoption benefits to residents of Quebec through the Quebec Parental Insurance Plan (QPIP). QPIP also provides paternity benefits, a five-week block for the father that cannot be shared with the mother.

2.4.1 Access Requirements

To be eligible for special benefits, the claimant's normal weekly earnings must be reduced by over 40%. In addition, individuals require 600 insurable hours to qualify for EI special benefits, regardless of the unemployment rate in the region in which they reside. Self-employed fishers can also qualify for special benefits with fishing earnings of $3,760. In addition, self-employed individuals who opt in for special benefits can qualify if their self-employment earnings meet the minimum self-employment eligibility threshold in the calendar year preceding the claim. In 2011, this threshold was $6,000. Depending on the type of special benefits being requested, additional documents, such as a medical certificate, may be required.

Claimants can apply for EI maternity benefits before they give birth and can start receiving benefits during the eighth week before their due date or before the actual week they give birth. Claimants cannot receive EI maternity benefits beyond 17 weeks after the expected or actual week of childbirth, whichever of the two occurs

[9] A number of temporary extensions to Work-Sharing agreements were introduced as part of the Economic Action Plan. Please see subsection III.2.5 for more information on these extensions.

last. For biological parents, EI parental benefits can be paid starting from the child's date of birth. For adoptive parents, parental benefits can be paid starting from the date the child is placed with them for adoption. In both cases, the payments must be made within 52 weeks of the week the child was born or adopted.

To qualify for sickness benefits, individuals must obtain a medical certificate signed by their medical doctor or approved medical practitioner. For compassionate care benefits, the claimant must provide a medical certificate signed by the medical doctor or approved medical practitioner of the gravely ill person that shows that the ill family member needs care or support and is at risk of dying within 26 weeks. This means that the gravely ill person, or their legal representative, must also complete and sign an authorization to have their medical certificate released.

2.4.2 Entitlement

Maternity benefits can be paid for a maximum of 15 weeks and parental benefits, which parents can share, for a maximum of 35 weeks. Maternity and parental benefits can be combined for a maximum of 50 weeks. Sickness benefits can be paid up to a maximum of 15 weeks. Compassionate care benefits can be paid for a maximum of 6 weeks over a 26-week period, and family members, or persons considered family by the gravely ill person, can share them.

There may be situations where the gravely ill family member remains in the same condition after the initial 26-week window or later experiences a recurrence of the illness. When this occurs, the claimant(s) could file a new claim for a second block of 6 weeks of compassionate care benefits if they once again meet all of the access requirements. However, a claimant can only receive a maximum of 6 weeks of compassionate care benefits per 26-week window.

3. Waiting and Benefit Periods

Qualified claimants must serve a two-week waiting period before receiving any type of EI benefit. The waiting period serves a number of purposes. It follows the same best practices of other insurance programs and is similar to the deductible portion of private insurance plans. This ensures that EI resources are focused on persons dealing with significant gaps in employment, and allows for the time needed to verify and establish a claim.

In addition, when a claimant qualifies for benefits, a benefit period of 52 weeks is established, which is the window of time within which all available benefits may be paid. This period includes the two-week waiting period. The benefit period ensures that EI benefits are paid within a reasonable timeframe relative to the period when the claimant would have received the earnings that the benefits are designed to replace. However, there are some exceptions to this rule. For example, 15 weeks of sickness benefits and 6 weeks of compassionate care benefits may be combined with the maximum 50 weeks of entitlement that maternity and parental benefits provide, resulting in an extension of the 52-week benefit period to 73 weeks (including the two-week waiting period).

4. Level of Benefits

EI benefits are tied to the amount of insurable earnings an individual has accumulated in the 26 weeks before establishing the claim, up to the annual maximum, expressed weekly. Under the *Employment Insurance Act*, maximum insurable earnings (MIE) increase in line with the average industrial wage. The MIE was $43,200 in 2010 and $44,200 in 2011. The weekly benefit rate is 55% of the portion of average weekly insurable earnings that does not exceed the MIE limit. The maximum weekly benefit was $457 in 2010 and $468 in 2011.

Average weekly benefit rates are calculated by dividing total insurable earnings during the 26-week period preceding the establishment of the claim by the greater of the number of weeks of work in this period or the "minimum divisor." The result is then multiplied by 55% to determine the weekly benefit level. The calculation of the weekly benefit rate is the same for all benefit types.

4.1 Minimum Divisor

As shown in Table 4, the minimum divisor ranges from 14 to 22, depending on the unemployment rate in the EI region in which the claimant resides when the claim is established. The Minimum Divisor provision encourages workers to accept work beyond the minimum required to qualify for EI in order to avoid a reduced weekly benefit rate.

TABLE 4
Divisor Used to Calculate Benefits Based on the Regional Rate of Unemployment

Regional Rate of Unemployment	Divisor
6% or less	22
6.1% to 7%	21
7.1% to 8%	20
8.1% to 9%	19
9.1% to 10%	18
10.1% to 11%	17
11.1% to 12%	16
12.1% to 13%	15
13.1% or more	14

4.2 Small Weeks

The Small Weeks provision encourages acceptance of all available work by excluding weeks of earnings below $225 from the benefit rate calculation. Therefore, this provision can increase the weekly benefit rate, as small weeks do not decrease the claimant's average weekly earnings. However, the Small Weeks provision is only applied to weeks with insurable earnings beyond the minimum divisor.

4.3 Family Supplement

The Family Supplement provision gives low-income families with children a benefit rate of up to 80% of their average weekly insurable earnings. However, under the Family Supplement provision, the weekly benefit rate cannot be higher than 55% of the MIE limit weekly equivalent. The Family Supplement rate is based on the net family income up to a maximum of $25,921 per year, as well as the number of children in the family and their ages. If the family income level rises, the Family Supplement gradually decreases, so that if the maximum income of $25,921 is reached, no supplement is payable.

4.4 Working While on Claim

The Working While on Claim provision is designed to encourage work attachment by allowing claimants to accept available work while on claim. This provision allows claimants receiving EI to earn up to $50 per week or 25% of their weekly benefit (whichever is higher) before dollar-for-dollar deductions begin.

For example, an EI regular claimant receives $300 a week. During her benefit period, she finds part-time work for $15 an hour. She is entitled to earn $50 a week or 25% of her weekly benefit rate, which, in her case, amounts to $75. Since the higher amount is used, the claimant is therefore entitled to earn $75 a week without having her benefit reduced. If she works 4 hours in a given week and earns $60, then her benefit payment will remain unchanged at $300. However, if she works 8 hours the next week and earns $120, her benefit payment will then be reduced by $45 for that week ($120 – $75), to $255. If she works 25 hours[10] the following week and earns $375, her benefit payment will then be reduced by $300 for that week ($375 – $75), bringing her benefit to $0. If the claimant's benefit is reduced to $0 for a week, then that week of entitlement may be deferred for later use within the benefit period.

4.5 Premium Refund

The EI program also offers a premium refund to workers with $2,000 or less in insurable earnings for a given calendar year, because these workers are unlikely to have sufficient insured hours to qualify for EI.

5. EI Pilot Projects

EI pilot projects allow the Government of Canada to test and assess the labour market impacts of new approaches designed to assist the unemployed, for a defined period and in designed EI regions, before considering permanent changes to the EI program. A number of pilot projects, which modify existing EI provisions, were in effect in 2010/11.

For a more detailed summary of the EI pilot projects, see Annex 1.2. The impacts of the EI pilot projects are discussed in Chapter 6.

5.1 Working While on Claim

Under this pilot project, the amount EI claimants may earn while on claim, without a reduction in their benefits, increased from the greater of $50 or 25% of their weekly benefit level to the greater of $75 or

[10] The Working While on Claim provision applies only to part-time employment (fewer than 30 hours a week).

40%. This pilot project was introduced in 2005 in 23 regions where the unemployment rate was 10% or higher. It was reintroduced nationally in 2008 and it has been extended until August 4, 2012.

5.2 Best 14 Weeks

Under this pilot project, EI benefits are calculated based on a claimant's 14 weeks of highest earnings during the 52-week period preceding the start of the claim or since the beginning of the last claim. This pilot project was introduced in 2005 in 23 regions where the unemployment rate was 10% or higher. It was reintroduced for two years in 2008 in 25 regions where the unemployment rate was 8% or higher. This pilot project has been extended until June 23, 2012.

5.3 Extended EI Benefits

Under this pilot project, the maximum number of regular weeks of benefits is increased by 5 weeks, to a maximum of 45 weeks. This pilot was introduced in 2004 for two years in 24 regions with an unemployment rate of 10% or higher. It was reintroduced in 2006 for 18 months in 21 regions and was later extended until May 31, 2009. The pilot was terminated in February 2009 with the introduction of the national Extension of EI Regular Benefits temporary measure, as part of the Economic Action Plan, until September 11, 2010. On October 12, 2010, the Extended EI Benefits pilot project was reintroduced in 21 EI economic regions until September 15, 2012; it may be terminated earlier if there is a sustained economic recovery.[11]

5.4 New Entrants/Re-Entrants (NEREs)

This pilot project tested whether giving NEREs[12] access to EI benefits after 840 hours of work rather than 910 hours, and informing them of EI employment training programs, would improve their employability and help reduce their future reliance on EI benefits. This pilot project was introduced in 2005 in 23 regions where the unemployment rate was 10% or higher. It was renewed in 2008 in 25 regions where the unemployment rate was 8% or higher. This pilot project ended on December 4, 2010.

5.5 Extended Employment Insurance Training Incentive

This pilot project was a component of the temporary Career Transition Assistance (CTA) initiative, which was introduced as part of Canada's Economic Action Plan. Please see subsection III.2.4 for more information on this pilot as well as the CTA initiative.

II. EI PART II

The purpose of Part II of the *Employment Insurance Act* is "to help maintain a sustainable EI system through the establishment of employment benefits for insured participants and the maintenance of a national employment service."[13] The programs delivered under Part II of the *Employment Insurance Act* are called Employment Benefits and Support Measures (EBSMs). EBSMs are labour market programs and services established to assist individuals in Canada to prepare for, obtain and maintain employment. They are delivered mostly by provinces and territories through Labour Market Development Agreements (LMDAs). EI Part II programming results in 2010/11 are presented in Chapter 4 of this publication.

1. Historical Background

In the mid-1990s, there was a growing consensus that temporary income support provided under the *Unemployment Insurance Act* (UI) was not sufficient to meet labour market challenges. Existing training and work experience programs under Unemployment Insurance Development Uses (UIDU) had achieved significant results. However, investment in active employment programs was insufficient to equip the unemployed with the skills they needed to overcome structural barriers and get back to work. Additional investment in active programming, such as work experience and training, was required to help individuals overcome structural barriers and quickly re-enter the labour market. Therefore, Part II of the *Employment Insurance Act* introduced in 1996 proposed a redesign of existing UIDU training and work experience programs to do the following:

[11] The pilot project will conclude earlier in regions where the unemployment rate is less than 8% for 12 consecutive months.

[12] New-entrants/re-entrants are discussed in subsection I.2.1.1.

[13] Section 56 of the *Employment Insurance Act*, S.C. 1996, c. 23.

- improve access for the unemployed population (support to the non-insured population);
- increase flexibility and streamline services at the local level;
- equip individuals directly with the tools to develop a personalized transition strategy;
- clarify the federal government's role in vocational training; and,
- improve national and local labour market information.

In May 1996, the Proposal to Provinces and Territories for a New Partnership in the Labour Market offered provinces and territories[14] two delivery options for the active employment programming delivered under Part II of the *Employment Insurance Act*: provincial/territorial delivery of EI-funded employment programs; or federal delivery of programs coupled with a federal offer to collaborate with the province or territory in their design, delivery and evaluation.

During the first phase of the implementation of the LMDAs, from 1996 to 2000, seven provinces and territories chose to accept full responsibility for designing and delivering employment programs (option 1). Between 2005 and 2010, the federal government completed the full devolution of the EBSMs, with the exception of pan-Canadian programming.

2. Guidelines

EBSMs are established under Part II of the *Employment Insurance Act* in accordance with the following guidelines:

- harmonization with provincial/territorial employment initiatives to ensure there is no unnecessary overlap or duplication;
- reduction of dependency on unemployment benefits by helping individuals obtain or keep employment;
- cooperation and partnership with other governments, employers, community-based organizations and other interested organizations;
- flexibility to allow significant decisions about implementation to be made at a local level; and,
- availability of EBSM assistance in either official language, where there is a significant demand for that assistance in that language.

3. Programming Design and Delivery

EBSMs are flexible by design, allowing provincial and territorial jurisdictions to develop and deliver programs that respond to local and regional labour market needs. With the signing of the final LMDA in February 2010, all provinces and territories are now fully responsible for designing and delivering programs similar to the EBSMs established under Part II of the *Employment Insurance Act*. The LMDAs provide the framework within which EBSM delivery takes place.

In support of these activities, Human Resources and Skills Development Canada (HRSDC) transfers LMDA funding to the provinces and territories, and focuses on accountability, evaluation and ongoing policy development. HRSDC delivers pan-Canadian programming and maintains, in partnership with the provinces and territories, specific projects and activities in the national interest under Part II of the *Employment Insurance Act*. More information on the LMDAs is available online: **http://www.hrsdc.gc.ca/eng/employment/partnerships/labour_market_development/index.shtml**.

4. Target Population

EI-insured clients and non-insured clients are both eligible to participate in EBSMs; however, the type of assistance available differs for the two groups.

4.1 EI-Insured Clients: Activation of EI Regular Claimants

The EI-insured client group is composed of two client types, "active" and "former" claimants, who are eligible for all types of EBSM interventions. *Active claimants* are claimants who have established a regular EI claim, and who tend to have strong and recent labour market attachment. Therefore, they tend to be able to return to work faster than those with a weaker labour market attachment.

Former claimants are individuals who established an EI-regular claim in the previous 36 months, or who received maternity or parental benefits during a

[14] **http://www.hrsdc.gc.ca/eng/employment/partnerships/labour_market_development/pdlmdamaypartnership.shtml**.

benefit period established in the previous 60 months. Former claimants can receive living allowances through EI Part II. The average cost per former client is often higher than that for active claimants.

4.2 Non-Insured Clients

Non-insured clients are those who have no substantive or recent labour force attachment, and include new labour force participants and individuals who were formerly self-employed. While these clients are not eligible for Employment Benefits, they can access Employment Assistance Services.

5. Employment Benefits and Support Measures

5.1 Employment Benefits

Section 59 of the *Employment Insurance Act* specifies that the EI Commission may establish employment benefits to help insured participants obtain employment. Employment Benefits are accessible by EI-insured clients only. These benefits enable EI-insured clients to gain work skills and experience through a combination of specific employment interventions. Employment Benefits include the following types of benefits.

Skills Development helps insured participants obtain skills for employment by providing direct financial assistance that enables them to select, arrange for and pay for their own training.

Targeted Wage Subsidies assist eligible unemployed individuals to obtain on-the-job work experience by providing employers with financial assistance to pay the wages of insured participants whom they hire. This benefit encourages employers to hire unemployed individuals whom they would not normally hire in the absence of a subsidy.

Self-Employment provides financial assistance and business planning advice to EI-eligible participants to help them start their own business. This financial assistance is intended to cover personal living expenses and business-related expenses during the initial stages of the business.

Job Creation Partnerships projects provide insured participants with opportunities to gain work experience to improve their long term employment prospects. Projects under this initiative help develop the community and the local economy.

Targeted Earnings Supplements provide financial assistance to individuals currently on EI or to the longer term unemployed by providing them with financial incentives. These temporary financial incentives help with the re-employment of people who would not normally re-enter the workforce at the lower wage.

5.2 Support Measures

Support Measures are authorized under Part II of the *Employment Insurance Act* to assist unemployed persons or persons at risk of becoming unemployed in finding employment. Support measures include programming similar to Employment Assistance Services (EAS), Labour Market Partnerships (LMPs), and Research and Innovation (R&I). While EAS are delivered by provincial and territorial governments, LMPs and R&I initiatives may be delivered at the federal, provincial and territorial levels.

Employment Assistance Services may include counselling, action plan creation, job search skills, job finding clubs, job placement services, and the provision of labour market information, case management and follow-up. The provinces and territories may employ third parties to provide these services.

Labour Market Partnerships assist employers, employee or employer associations, community groups and communities in developing and implementing strategies for dealing with labour force adjustments and meeting human resource requirements.

Research and Innovation helps eligible recipients carry out demonstration projects and research to identify better ways of helping people to prepare for or keep employment and to be productive participants in the labour force.

5.3 Pan-Canadian Programming

The objective of pan-Canadian programming is to enhance the Canadian economic union by promoting an efficient and integrated national labour market and ensuring enough skilled workers are available in the Canadian workforce.

Pan-Canadian programming includes initiatives such as responding to national emergencies, supporting labour mobility, promoting and supporting national

sectoral councils, and providing national labour market information and national labour exchange systems. Also included among the national initiatives are literacy and essential skills initiatives, youth employment initiatives, labour market programs for Aboriginal people, and national research and innovation projects designed to find better ways of helping people obtain and keep employment as productive members of the labour force.[15]

5.4 National Employment Service

Part II of the *Employment Insurance Act* specifies that the EI Commission shall maintain a National Employment Service (NES) to facilitate the labour market exchange function for the country. The NES provides information on employment opportunities across Canada to help workers find suitable employment and help employers obtain appropriate workers. Through the Working in Canada portal, HRSDC provides integrated electronic services to improve the way labour market information is presented.

III. RELATIONSHIP BETWEEN EI PART I AND PART II

1. Overview

In summary, while EI Part I benefits can be viewed as a "passive support" program, EI Part II provides more of an "active support" component. Part I subsidizes job search and career development by providing temporary income support to eligible unemployed individuals, while Part II helps unemployed individuals by providing them with the skills, experience and knowledge necessary to find new and suitable employment. Together, Part I and Part II improve the ability to match available positions with workers in the Canadian labour market.

1.1 Links Between Part I and Part II

When clients submit an EI application for regular or fishing benefits, they are presented with a maximum of three job opportunities in their field of work and region at the end of the EI online application process (Step 1 of Figure 1).

FIGURE 1

The client is then invited to visit the corresponding provincial/territorial website for additional employment support (Step 2 of Figure 1). Each province and territory provides online employment services, which include the contact information for local services.

Once the closest service point is identified, the EI-insured claimant can make an appointment to create a customized return-to-work action plan. This action plan may include Employment Assistance Services (EAS) and the necessary Employment Benefits to build skills and experience necessary to find employment.

Under EI Part II, non-insured clients may only access EAS; however, they could access additional employment programming under other federal-provincial/territorial agreements, such as the Labour Market Agreements established with each province and territory.

When clients visit a Service Canada centre for active employment programming, they are directed to the closest provincial or territorial employment centres and online services.

[15] See Section III of Chapter 4 for more information on programming results achieved under Part II of the EI Act in 2010/11.

1.2 Online Employment Support

Service Canada has regrouped federal online employment services onto the following site:

http://www.servicecanada.gc.ca/eng/lifeevents/job.shtml

Provincial and territorial services are accessible through the following links:

Jurisdiction	Hyperlink
Newfoundland and Labrador	http://www.hrle.gov.nl.ca/hrle/
Prince Edward Island	http://www.skillspei.com
Nova Scotia	http://www.gov.ns.ca/employmentnovascotia
New Brunswick	http://www2.gnb.ca/content/gnb/en/gateways/employment.html
Quebec	http://emploiquebec.net/anglais/index.htm
Ontario	http://www.edu.gov.on.ca/
Manitoba	http://www.edu.gov.mb.ca/aet/ets2/jobs_careers.html
Saskatchewan	http://www.sasknetwork.ca/html/Home/cansask/stb.htm
Alberta	http://employment.alberta.ca
British Columbia	http://www.workbc.ca/
Northwest Territories	http://www.ece.gov.nt.ca/Divisions/CollegeCareerDevelopment/index.htm
Yukon	http://www.education.gov.yk.ca/advanceded/index.html
Nunavut	http://www.gov.nu.ca/hr/site/iepinfo.htm

2. Economic Action Plan Temporary EI Measures

Through Canada's Economic Action Plan, the federal government offered a number of temporary EI measures to provide additional support to unemployed workers facing transitions during the late-2000s recession. These measures were time limited and targeted to help Canadians during the recent period of economic uncertainty.

2.1 Extension of EI Regular Benefits

This measure provided 5 extra weeks of regular EI benefits for all individuals with an active claim between March 1, 2009, and September 11, 2010. For these individuals, the number of weeks of benefits payable ranged from 19 to 50, rather than 14 to 45, depending on the number of insurable hours in the qualifying period and the unemployment rate in the region where the claim was established.

2.2 Extension of EI Benefits for Long-Tenured Workers

EI-eligible claimants who met the long-tenured worker definition[16] and who established their claim between January 4, 2009, and September 11, 2010, were eligible for up to 20 weeks of additional benefits, depending on how long they had been working and paying into EI.

2.3 Additional Funds Transferred to Provinces and Territories

Through Canada's Economic Action Plan, the federal government invested an additional $1.0 billion in EI Part II programming to help workers most affected by the recession (see Chapter 4 for additional details).

[16] A long-tenured worker is an individual who has contributed to the EI program (paying at least 30% of the annual maximum EI premiums) for at least 7 out of the last 10 calendar years and has received no more than 35 weeks of EI regular benefits in the last 5 years.

2.4 Career Transition Assistance Initiative

Delivered in partnership with provinces and territories, the Career Transition Assistance (CTA) Initiative offered displaced long-tenured workers the opportunity to receive earlier or extended EI regular benefits if they undertook longer-term training early in their claim. The temporary measures included the Extended Employment Insurance and Training Incentive (EEITI) pilot project and the Severance Investment for Training Initiative (SITI). Provinces and territories were responsible for approving clients for training.

- The EEITI increased the duration of EI Part I income support offered to long-tenured workers pursuing significant training, up to a maximum of 104 weeks (including the two-week waiting period). This extension included up to 12 consecutive weeks of EI regular benefits following the completion of training to facilitate job search and re-employment.
- The SITI allowed earlier access to EI Part I regular benefits for eligible claimants who invested in their own training, using all or part of their severance package. SITI participants who met the eligibility requirements of the EEITI were able to participate in both measures.

2.5 Changes to the Work-Sharing Program

These temporary changes eased the requirements for the recovery plan,[17] streamlined the application process for employers and extended the maximum duration of agreements. Changes introduced as part of Budget 2009 extended Work-Sharing agreements by 14 weeks to a maximum of 52 weeks for applications received between February 1, 2009, and April 3, 2010. Budget 2010 further extended existing or recently terminated agreements for up to an additional 26 weeks, to a possible maximum of 78 weeks, and maintained the flexibility in qualifying criteria for new Work-Sharing agreements. These Budget 2010 enhancements were in place until April 2, 2011.

Budget 2011 announced a new temporary measure to assist employers who continued to face challenges. It made available an extension of up to 16 weeks for active or recently terminated Work-Sharing agreements. This temporary measure ended in October 2011. In addition, Budget 2011 announced new policy adjustments to make the program more flexible and efficient for employers. These new provisions include a simplified recovery plan, more flexible utilization rules and technical amendments to reduce administrative burden.

For a detailed summary of the temporary EI measures introduced as a part of Canada's Economic Action Plan, see Annex 1.2.

[17] A recovery plan outlines the activities that the employer is undertaking to return to normal working hours by the end of the agreement.

CHAPTER 2

LABOUR MARKET CONTEXT

This chapter outlines key labour market developments and the economic context that prevailed in fiscal 2010/11, the period for which this report assesses the Employment Insurance (EI) program.[1] More detailed information on various elements discussed in this chapter is available in Annex 2.

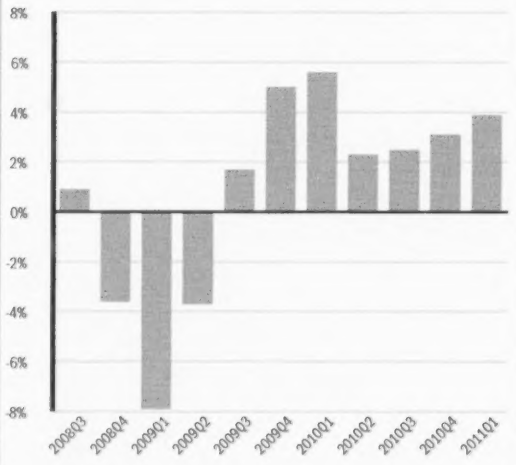
I. INTRODUCTION

In 2010/11, the global economy was still recovering from the deepest and most synchronized recession since the 1930s. Canadian consumer spending was relatively strong for the first three quarters of 2010/11 and was one of the main contributors to economic growth. However, consumer spending weakened in the fourth quarter, restrained in part by higher food and energy prices. Residential investment declined in the first three quarters of 2010/11—mostly due to the expiry of the Home Renovation Tax Credit, which had boosted investment in 2009/10—but it rebounded strongly in the final quarter of 2010/11. Growth in government expenditures also slowed in 2010/11, while non-residential investment continued to grow rapidly.

Real gross domestic product (GDP)[2] grew by 2.9% from the first quarter of 2010 to the first quarter of 2011. After experiencing a decline in real GDP from the fourth quarter of 2008 to the second quarter of 2009, the Canadian economy experienced strong growth over the last quarter of 2009 (+5.0%, annualized rate) and the first quarter of 2010 (+5.6%).[3] Over the following four quarters, real GDP increased by between 2.3% and 4.0%, and from the third quarter of 2009 to the first quarter of 2011, the economy yielded seven consecutive quarters of growth (see Chart 1).

CHART 1

Real GDP Growth (Annualized), by Quarter



Source:
Statistics Canada, National Income and Expenditure Accounts.

[1] The reporting period analyzed is the fiscal year from April 1, 2010, to March 31, 2011. Unless otherwise indicated, data in this chapter are taken from Statistics Canada's Labour Force Survey (LFS) and annual data are seasonally unadjusted averages, while quarterly and monthly data are seasonally adjusted. Please note that calculations may not add up due to rounding.

[2] Canada's gross domestic product (GDP) is defined as the total unduplicated value of the goods and services produced in Canada. Annual GDP data have been seasonally adjusted at annual rates and are expressed in chained (2002) dollars. From Statistics Canada, National Income and Expenditure Accounts.

[3] All quarterly GDP growth figures are presented at annualized rates.

FUTURE WATCH

Canada's economy will recover slowly from the lingering effects of the [late-2000s] recession.

Source: The Conference Board of Canada, *Canadian Outlook: Long-Term Economic Forecast* (Ottawa: The Conference Board of Canada, 2011).

Canadian net exports were weak in 2010/11, reflecting the relative strength of the Canadian dollar and modest demand growth in the United States, Canada's largest trading partner. Despite historical tendencies for investors and consumers to avoid risk in a fragile economic climate, financial conditions in Canada were solid and private credit growth was strong.[4]

Low financing rates bolstered residential activity and augmented consumer spending at a greater-than-expected pace, while a recovery in resource prices lifted profits and further contributed to a strong rebound in national employment.[5] Furthermore, after lowering its target for the overnight interest rate to the historically low level of 0.25% in April 2009 and holding it at this level for the balance of fiscal 2009/10, the Bank of Canada continued to keep its rates low, ending fiscal 2010/11 with a rate of 1.0%.

Canada's Economic Action Plan (EAP) was designed to fight the effects of the late-2000s recession by providing economic stimulus to safeguard jobs and support the unemployed, while making investments to promote Canada's long-term economic prosperity. In 2009/10, almost $32 billion in stimulus spending and tax relief was delivered through the EAP, and $25.5 billion was delivered in 2010/11.[6]

Specific EAP temporary EI measures are discussed in greater detail in chapters 3 and 6.

After rising by 0.5% in 2009/10, Canadian labour productivity[7] improved by 1.1% in 2010/11, the second consecutive increase after a decrease was registered in 2008/09 (-0.9%). Moreover, labour productivity continued to improve throughout 2010/11, with increasing gains in each quarter. Labour productivity gains were strongest in the construction, manufacturing and agriculture, forestry, fishing and hunting industries.

From July 2009 until the end of fiscal 2010/11, Canada exhibited the strongest employment growth among G-7 countries, more than recouping all of the net job losses from the late-2000s recession.[8] Since the rebound in national employment began, the Canadian labour market has experienced consistent gains in employment. While 2009/10 saw employment fall by 210,600, employment rose by 293,700 in 2010/11 (annual averages). In the first quarter of 2010/11 alone, employment grew by 139,900—the highest quarterly net job growth since the late-2000s recession.

By the end of 2010/11, the global economic expansion was proceeding broadly as projected,[9] with modest growth in major advanced economies and robust expansion in emerging economies. However, the economic recovery in the U.S. and in Europe has been stubbornly tenuous and continues to be restrained by the consolidation of household balance sheets, restrained investment spending, and the winding down of fiscal stimulus packages. In addition, the consequent slow growth in employment has restrained consumer demand in these countries. Therefore, further Canadian economic expansion may be restrained by the downwardly revised profile for international growth.

4 Bank of Canada, *Monetary Policy Report: July 2011* (Ottawa: Bank of Canada, 2011).

5 The Conference Board of Canada, *Canadian Outlook: Long-Term Forecast 2011* (Ottawa: The Conference Board of Canada, 2011).

6 *Federal Budget 2011: The Next Phase of Canada's Economic Action Plan*. Tabled in the House of Commons by the Honourable James M. Flaherty, P.C., M.P., Minister of Finance, on June 6, 2011.

7 Labour productivity is defined as the ratio of output to hours worked within the business sector. For output, a Fisher-chained index method that builds up the real value added (or real GDP) in the business sector and its component two-digit industries is used to produce quarterly estimates for productivity measurement. Hours worked represent the total number of hours that a person devotes to work, whether paid or unpaid. From Statistics Canada, Labour Productivity Measures.

8 *Federal Budget 2011: The Next Phase of Canada's Economic Action Plan*. Tabled in the House of Commons by the Honourable James M. Flaherty, P.C., M.P., Minister of Finance, on June 6, 2011.

9 The Conference Board of Canada, *Canadian Outlook: Long-Term Forecast 2011* (Ottawa: The Conference Board of Canada, 2011).

II. LABOUR FORCE AND PARTICIPATION RATE

The Canadian labour force[10] grew at a rate of 1.2% (+220,300) to 18.6 million in 2010/11, after experiencing its smallest increase since 1995/96 during the previous fiscal year (+115,600; +0.6%). The number of youth participating in the labour force fell by 29,900 (-1.0%), following a decline of 82,600 (-2.8%) in 2009/10. After registering declines in the second and third quarters of 2010/11 (-0.8 and -0.6 percentage points, respectively), the youth participation rate showed signs of recovery and grew in the fourth quarter (+0.9 percentage points). However, 2010/11 saw the youth share of the Canadian labour force fall to 15.5%, its lowest share in comparable data.

Following the recession of the early-1990s, stubbornly high unemployment rates led to a dramatic decline in overall labour force participation, particularly among younger Canadians. Private and public sector downsizing shrank the number of entry-level positions, resulting in a large increase in youth unemployment. The youth unemployment rate jumped from 11.0% in 1989/90 to 17.3% in 1992/93. In response to these bleak job prospects, the participation rate of young Canadians plummeted from 71.0% in 1989/90 to just 65.6% in 1992/93. Young Canadians exhibited similar behaviour during the late-2000s recession. As the youth unemployment rate rose from 11.1% in 2007/08 to 14.6% in 2010/11, the youth participation rate fell from 67.1% to 64.4%. As employment prospects worsen, many young people become discouraged in trying to find work.

After reaching 67.6% in 2008/09, the highest rate in comparable data, the Canada labour force participation rate[11] declined in 2009/10 (-0.6 percentage points) and registered no change in 2010/11. Since the Canadian population grew at a similar rate (+352,200; +1.3%) in 2010/11 as in the past 10 years, the decline in the participation rate can be associated with a relatively smaller increase in the labour force over the previous two fiscal years.

In 2010/11, the youth participation rate fell to 64.4% (-0.7 percentage points), after a more pronounced decline of 2.1 percentage points in the previous year. This trend is partially attributable to the fact that a number of young people pursued educational opportunities because their labour market prospects were relatively weak. Because younger workers generally exhibit weaker labour force attachment than older workers, they are typically the hardest hit by downward economic cycles and periods of weak employment growth.[12]

Prime-aged workers had a participation rate of 86.4% in 2010/11, identical to that of the previous year. Older workers continued to participate in the labour market in greater numbers and more individuals turned 55, increasing their participation rate to 36.2% (+1.0 percentage points)—their highest in comparable records. The unstable economic climate likely led some older workers to postpone their retirement and continue working.[13]

FUTURE WATCH

Beyond 2015... an aging population will restrain labour force growth... [which will] constrain growth in employment over the long term.

Source: The Conference Board of Canada, *Canadian Outlook: Long-Term Economic Forecast* (Ottawa: the Conference Board of Canada, 2011).

[10] The labour force is defined as the civilian non-institutional population 15 years of age and older who, during the LFS reference week, were employed or unemployed.

[11] The participation rate is defined as the total labour force as a share of the population aged 15 years and older.

[12] The Conference Board of Canada, *Canadian Outlook Long-Term Forecast 2010: Economic Forecast* (Ottawa: The Conference Board of Canada, 2011).

[13] The Conference Board of Canada, *Canadian Outlook Long-Term Forecast 2010: Economic Forecast* (Ottawa: The Conference Board of Canada, 2011).

III. EMPLOYMENT

After the Canadian economy suffered 210,600 (-1.2%) net job losses[14] in 2009/10, the first decline in annual average employment since the early-1990s recession, there was an employment gain of 293,700 (+1.7%) in 2010/11. This raised the number of employed Canadians to 17.1 million in 2010/11, up from 16.8 million.

As indicated in Table 1, all Canadian provinces, with the exception of New Brunswick,[15,16] registered employment gains in 2010/11. The provinces with the largest employment growth rates[17] were Newfoundland and Labrador (+4.3%), Ontario (+2.1%), Manitoba (+2.1%) and Quebec (+2.0%). As indicated in Table 2, Ontario and Quebec both exhibited large gains in employment growth relative to their share of national employment. Conversely, Alberta's employment gains were small relative to the province's share of national employment.

The increase in Canadian employment in 2010/11 was larger than the decrease in 2009/10, which was the largest since 1982/83, during the early-1980s recession. The consistent employment gains since mid-2009 indicate that the Canadian labour market continued to recover in 2010/11. After the third and fourth quarters of 2008/09 and first and second quarters of 2009/10 yielded negative or stagnant net job growth, Canada experienced six consecutive quarters of positive employment growth, up until the end of 2010/11. In the first quarter of 2010/11, Canada reported the largest employment gains since the late-2000s recession, with a net increase of 130,700 (+0.8%). This growth was followed by an employment gain of 56,900 (+0.3%) in the second quarter of 2010/11, a relatively modest 42,500 gain (+0.2%) in the third quarter and a more pronounced gain of 94,400 (+0.6%) net jobs in the fourth quarter of 2010/11.

TABLE 1
Employment Growth by Province,[18] 2009/10-2010/11

Province	Employment Growth (in Thousands)	Employment Growth Rate (%)
Newfoundland and Labrador	9.1	4.3%
Prince Edward Island	1.0	1.4%
Nova Scotia	2.2	0.5%
New Brunswick	-4.7	-1.3%
Quebec	77.5	2.0%
Ontario	138.3	2.1%
Manitoba	12.7	2.1%
Saskatchewan	4.5	0.9%
Alberta	18.4	0.9%
British Columbia	34.7	1.6%
Canada	**293.7**	**1.7%**

TABLE 2
Employment Share by Province,[19] 2009/10-2010/11

Province	Employment as a Share of National Employment, 2009/10	Share of National Employment Growth
Newfoundland and Labrador	1.3%	3.1%
Prince Edward Island	0.4%	0.3%
Nova Scotia	2.7%	0.7%
New Brunswick	2.1%	-1.6%
Quebec	22.9%	26.4%
Ontario	38.7%	47.1%
Manitoba	3.6%	4.3%
Saskatchewan	3.1%	1.5%
Alberta	12.0%	6.3%
British Columbia	13.2%	11.8%
Canada	**100.0%**	**100.0%**

[14] For the purposes of the *Employment Insurance Monitoring and Assessment Report*, all jobs are considered to be staffed.

[15] New Brunswick has undergone structural changes, leading to a labour market shift and decline in literacy requirements. The shift to lower literacy requirements in some sectors of New Brunswick is in contrast to the movement in Canada as a whole, where the labour market is becoming increasingly highly skilled and knowledge centred.

[16] Government of New Brunswick, *Canada-New Brunswick Labour Agreement, Annual Plan, Fiscal Year 2010/2011* (Fredericton: Post-Secondary Education, Training and Labour, September 2010).

[17] For a more comprehensive list of provincial employment growth rates, please see Annex 2.2.

[18] National LFS estimates are derived using the results of the LFS in the provinces. Territorial LFS results are not included in the national estimates, but are published separately. More detailed information on the territories is available in chapter 4.

[19] National LFS estimates are derived using the results of the LFS in the provinces. Territorial LFS results are not included in the national estimates, but are published separately. More detailed information on the territories is available in chapter 4.

1. Employment, by Gender

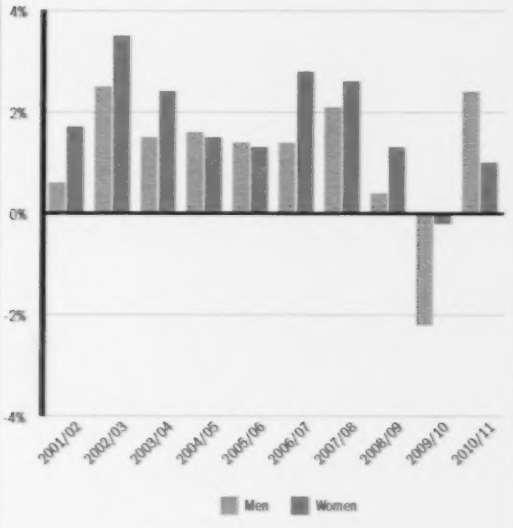
The labour market recovery in 2010/11 affected men more strongly than women. Given that net job losses during the late-2000s recession affected men more than women, it was expected that the recovery would see relatively larger employment growth for men. Specifically, the late-2000s recession had a greater impact on industries in the goods-producing sector, such as manufacturing and construction, where men are overrepresented (men make up 72.2% and 89.4% of the labour force in these industries, respectively). Although all losses in employment from 2009/10 were recouped for both genders, men experienced an employment gain of 209,100 (+2.4%), compared with 84,500 (+1.0%) for women. The employment growth rate for men was higher than that for women for the first time since 2005/06. The construction industry, in particular, witnessed a strong recovery in male employment, with a 6.2% increase in 2010/11, after a decline of 4.0% in the previous fiscal year.

The 2.4% overall increase in male employment was the largest since 2002/03. Moreover, after employment stabilized in the second quarter of 2009/10, men enjoyed seven consecutive quarters of positive employment growth up until the end of 2010/11. The share of employment for women fell to 47.6% (-0.3 percentage points) in 2010/11, the first decline since 2004/05. However, the female share of Canadian employment is close to its highest level in comparable records.[20]

2. Employment, by Age Group

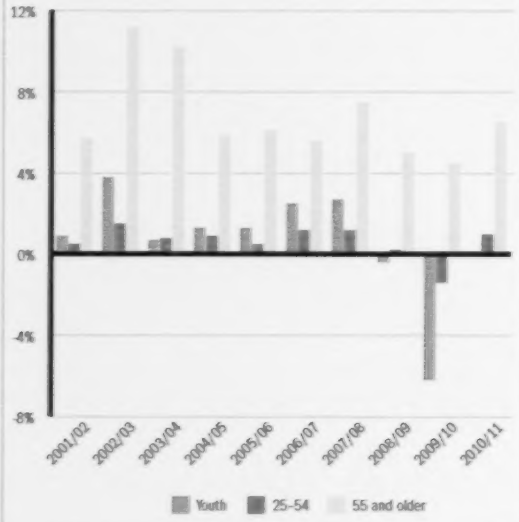
After falling by 163,300 (-6.2%) in 2009/10, youth[21] employment in Canada witnessed virtually no gains in 2010/11 (+200; +0.0%). While individuals between the ages of 20 and 24 witnessed employment gains of 20,600 (+1.3%), in contrast, those between the ages of 15 and 19 registered employment losses of 20,400 (-2.2%). Moreover, this modest employment growth was driven by young males, who registered an employment growth of 10,300 (+0.8%), while young females experienced 10,100 (-0.8%) net job losses.

CHART 2
Employment Growth, by Gender



Source:
Statistics Canada, Labour Force Survey.

CHART 3
Employment Growth, by Age



Source:
Statistics Canada, Labour Force Survey.

[20] The expressions "comparable data" and "comparable records" for Labour Force Survey data refer to those published by Statistics Canada since its major 1976 reform of the survey.

[21] Youth are defined as individuals between the ages of 15 and 24.

Overall, youth employment has not yet recovered from the effects of the late-2000s recession.

Prime-aged workers[22] in Canada experienced an employment gain of 112,100 (+1.0%) in 2010/11, after a loss of 166,800 (-1.4%) in 2009/10. The majority of these gains were made by men (+99,500), compared with gains of 12,500 for women. As prime-aged workers account for about 70% of Canadian employment, any significant increase in net jobs for this demographic significantly influences the Canadian labour market as a whole.

Older workers[23] continued a trend of strong employment growth, with an increase of 181,400 (+6.5%) in 2010/11, which was their 15th consecutive year of employment gains. Older workers were the only age group to show an increase in employment in 2009/10 (+4.5%). Baby boomers, often defined as those born between 1946 and 1965, have continued to propel employment for individuals aged 55 and older, as they have had the sharpest employment growth rate among all age groups every year since 2001/02.

With growth in both the working-age population[24] and labour force participation, older workers accounted for 17.4% of total employment in 2010/11, compared with 16.6% in 2009/10 and 15.7% in 2008/09. Demographic realities contribute to this trend as, every year, an increasing number of individuals are part of the 55-years-and-older age cohort. While the share of youth and prime-aged workers in employment has declined over the past 20 years, the share of older workers has increased every year since 1994/95 and is currently at its highest level in comparable records.

The lingering effects of the late-2000s recession will be a factor in easing labour market pressures. The precarious financial climate likely caused some older workers to postpone their retirement as employment started to recover, which partially mitigated the onset of labour shortages associated with the expected departure of the baby boomers from the labour market and the lack of younger workers to replace them. Slower growth in the labour supply translates into tighter labour markets, which in turn places upward pressure on real wages. This may motivate the youngest baby boomers and the oldest members of the cohort that followed them to delay retirement.[25]

FUTURE WATCH

Younger workers generally have a weaker attachment to the labour force and are typically the hardest hit by downward economic cycles.

Source: The Conference Board of Canada, *Canadian Outlook: Long-Term Economic Forecast* (Ottawa: The Conference Board of Canada, 2011).

3. Employment, by Labour Force Characteristics

Full-time employment grew by 198,800 (+1.5%) in 2010/11, after registering a decline of 257,500 (-1.9%) in 2009/10. In fact, since the first quarter of 2009/10, full-time employment rose in six of the following seven quarters, including notable increases in the third (+100,400) and fourth (+77,200) quarters of 2010/11.

In 2010/11, part-time employment rose by 94,900 (+2.9%), after an increase of 46,900 (+1.5%) in 2009/10. After the third quarter of 2009/10 (-0.6%), part-time employment expanded in four of the following five quarters. Moreover, 2010/11 marked the 11th consecutive year of growth in part-time employment, which accounted for 19.5% of national employment in 2010/11, its largest share in comparable data.

Women and youth comprise a large proportion of part-time employment. In 2010/11, women accounted for 67.1% of all part-time employment (even though they made up 47.3% of the labour force), while youth accounted for 35.4% (even though they comprised 15.5% of the labour force). These figures are partially attributable to the fact that service industries such as retail trade, accommodation and food services, as well as other

[22] Prime-aged workers are defined as individuals between the ages of 25 and 54.

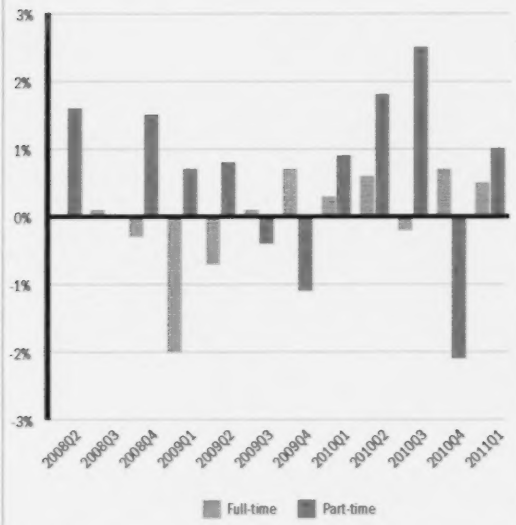
[23] Older workers are defined as individuals aged 55 and older.

[24] The working-age population is defined by Statistics Canada as all persons aged 15 years and over residing in the provinces only, with some exceptions (those living on reserves, full-time members of the regular Armed Forces and those living in institutions).

[25] The Conference Board of Canada, *Canadian Outlook: Long-term Forecast 2011* (Ottawa: The Conference Board of Canada, 2011).

CHART 4

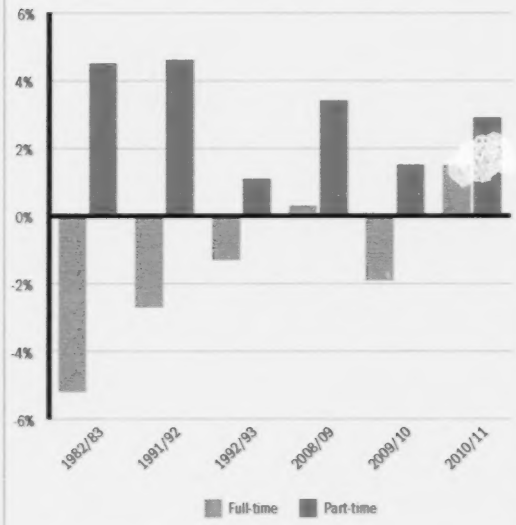
Full-Time and Part-Time Employment Growth, by Quarter



Source:
Statistics Canada, Labour Force Survey.

CHART 5

Full-Time and Part-Time Employment Growth, During Recessions and Since the Late-2000s Recession



Source:
Statistics Canada, Labour Force Survey.

services, such as health care and social assistance, have relatively large proportions of part-time positions and tend to employ women and youth in relatively large numbers. For instance, in 2010/11, 44% of individuals employed in the accommodation and food services sector were youth workers, even though youth only accounted for 15.5% of employees across all industries.

In 2010/11, 72.2% of those working in part-time employment did so voluntarily, for reasons such as school attendance (29.1%), personal preference (25.8%) and caring for children (9.4%). The remaining 27.8% were considered non-voluntary part-time employees who were working part time due to business conditions (19.1%) or lack of full-time job opportunities (8.7%). While there was an increase of nearly 5% in non-voluntary part-time employment in 2009/10—its largest increase since 1998/99—such employment declined slightly in 2010/11 (-0.3%). Finally, there were 918,400 multiple job holders in 2010/11, representing a significant increase of 32,500 (+3.7%), after a more modest increase (+0.3%) the previous year.

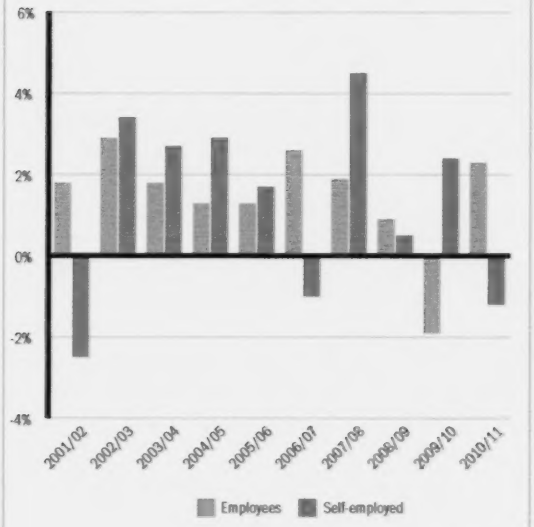
4. Employment, by Sector and Self-Employment

There were large gains in private sector employment (+231,400; +2.2%) in 2010/11, representing a recovery of 76% of the net job losses from the previous year. In the previous fiscal year, private sector employment had declined (-304,900; -2.8%) for the first time since the early-1990s recession. In 2010/11, the public sector also registered its largest employment gains since 2007/08 (+95,700; +2.8%). With the increase, the public sector has registered positive net job growth in every fiscal year since 1997/98.

Both the private and public sectors experienced positive employment growth from the third quarter of 2009/10 through the end of 2010/11. In contrast, after demonstrating modest employment growth in 2009/10 (+64,000; +2.4%), self-employment declined by 33,400 (-1.2%) in 2010/11. Self-employment often rises during recessions, as individuals who lose their jobs may be inclined to "create" employment themselves. However, as labour markets recover, these individuals may then move back to paid employment.

CHART 6

Employees and Self-Employed Employment Growth



Source:
Statistics Canada, Labour Force Survey.

In 2010/11, the total number of employees grew by 327,100 (+2.3%), outweighing the previous year's decline of 274,600 (-1.9%). Private and public sector employees accounted for 63.8% and 20.6% of all employees, respectively, while self-employed workers comprised 15.6% of all persons employed.

5. Employment, by Job Permanency

Among the 14.5 million Canadian employees, those with temporary work arrangements—such as seasonal, contract or casual employment—rose by 131,400 (+7.3%) in 2010/11, following more modest growth of 43,400 (+2.5%) in 2009/10. Since comparable data were first published in 1997/98, the increase in temporary work arrangements in 2010/11 was the second largest on record, surpassed only by that of 2000/01 (+9.8%). Employees with temporary work arrangements accounted for 13.4% of all employees in 2010/11, representing the largest such share on record.

FUTURE WATCH

The winding down of stimulus spending and imposition of a three-year freeze on federal departmental operating budgets, [as] part of the government's plan to return to fiscal balance, will likely limit employment growth in the public sector over the near-medium term.

Source: The Conference Board of Canada, *Canadian Outlook: Spring 2011* (Ottawa: The Conference Board of Canada, July 2011).

In 2009/10, the number of employees with permanent work arrangements fell by 318,000 (-2.5%), the first such decline on record. However, a large proportion of this decline (61.5%) was recovered in 2010/11, as permanent employment increased by 195,700 (+1.6%).

6. Employment, by Immigration Status

Among the 17.1 million employed Canadians, 13.3 million (77.9%) were born in Canada, while 486,100 (2.8%) were recent immigrants[26] and 3.0 million (17.7%) were established immigrants.[27] The employment shares among these cohorts remained relatively stable throughout the late-2000s recession and subsequent economic recovery.

As indicated in Chart 7, recent immigrants tend to experience more volatile labour market outcomes than established immigrants and Canadian-born citizens. While recent immigrants had a gain of 41,800 (+9.0%) in employment in 2008/09, they witnessed a significant loss of 40,200 (-8.0%) net jobs in 2009/10, during the middle of the late-2000s recession. In 2010/11, as the Canadian economic recovery took hold, recent immigrants experienced another significant gain in employment, showing an increase of 22,000 (+4.7%).

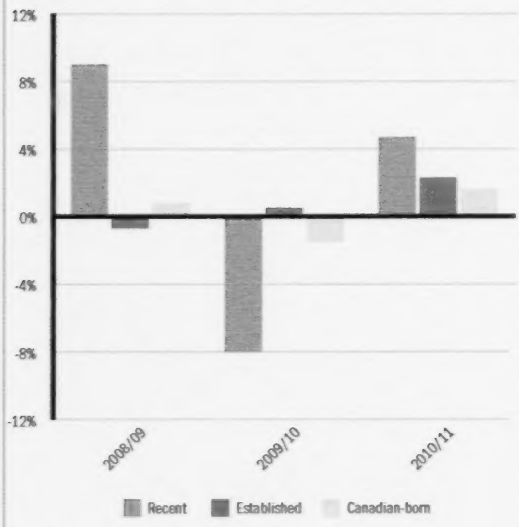
By comparison, established immigrants witnessed less volatility in their employment growth, decreasing by 0.7% in 2008/09, then increasing by 0.5% and 2.3% in the following years. Employment

[26] Recent immigrants are defined as immigrants who landed in Canada within the last five years.

[27] Established immigrants are defined as immigrants who landed in Canada more than five years ago.

CHART 7

Employment Growth Rates, by Immigration Status



Source:
Statistics Canada, Labour Force Survey.

among Canadian-born workers increased by 0.8% in 2008/09, followed by a 1.5% decrease in 2009/10 and a 1.6% increase in 2010/11.

7. Employment Rate

An analysis of employment rates[28] by age group provides an alternative view of employment growth rates, as it controls for changes in the underlying population.[29] As the labour market began to recover from the effects of the late-2000s recession, the Canadian employment rate increased to 61.7% (+0.3 percentage points) in 2010/11. This followed a drop of 1.7 percentage points in the previous fiscal year—the sharpest decline since the recession. The rise in 2010/11 is the first employment rate increase since 2007/08, when it rose by 0.6 percentage points.

The rising employment rate was driven by males, who experienced an increase of 0.7 percentage points, to 65.6%, after experiencing the sharpest decline since the early-1990s recession (-2.5 percentage points) the previous year. The employment rate for females fell for the third consecutive year to 57.9% (-0.1 percentage points).

In 2009/10, the youth employment rate dropped to 55.1% (-3.9 percentage points), its sharpest decline since the recession of the early-1980s. However, it stabilized in 2010/11 as the labour market began to show signs of recovery. The fourth quarter of 2010/11 saw the youth employment rate rise by 0.6 percentage points—the largest increase since the late-2000s recession. Among prime-aged workers, the employment rate grew to 80.6% (+0.4 percentage points), after experiencing its largest decline since 1982/83 during the previous year (-1.7 percentage points). The employment rate for older workers rose for the 15th consecutive year, to 33.9% (+1.0 percentage points).

8. Hours Worked

EI eligibility requirements are based on a claimant's insurable hours worked. In 2010/11, total hours worked rose by 3.4%, greater in absolute value than the 3.0% decline during the previous fiscal year. The increase in hours worked indicates that, in 2010/11, the Canadian economy continued to recover from the late-2000s recession, as labour markets strengthened and employment opportunities expanded. Moreover, labour market trends indicate that the economic recovery was not regionalized. With the exception of New Brunswick, every Canadian province registered positive growth in the number of hours worked in 2010/11.

Average weekly hours worked at all jobs increased to 36.3 (+1.1%) in 2010/11, up from 35.9 in the previous fiscal year. The average weekly hours worked for men rose to 39.3 (+1.0%) in 2010/11, while women worked an average of 32.8 hours (+0.6%). The overall increase in hours worked was predominantly driven by gains in full-time employment as, after two consecutive years of declines, hours worked in full-time employment increased to 40.6 (+1.2%) in 2010/11. After four consecutive years of decline, the number of hours worked in part-time employment remained unchanged, at 18.4.

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[28] The employment rate is defined as the number of employed people as a share of the population 15 years of age and older.

[29] It should be noted that, although employment growth rates provide valuable labour market information, they can be somewhat misleading as an indicator of the employment prospects of a given age group since employment may be driven by changes in demographic structure. For example, baby boomers can disproportionately raise employment growth for workers aged 55 and older. Indeed, the influx of baby boomers has increased older workers' share of the working-age population since the turn of the century.

9. Wages

Average weekly nominal wages for all workers rose to $826 (+2.2%) in 2010/11, up from $808 in 2009/10, representing the weakest growth rate in eight years. While weekly wages grew faster for women (+2.4%) than for men (+2.0%) for the 10th consecutive year, 2010/11 saw the smallest growth in women's wages since 1998/99 (+1.4%). However, since 2000/01, women's weekly nominal wages as a proportion of men's have risen from 69.2% to 74.7%.

In 2010/11, average hourly wages for men and women were $24.44 and $20.91, respectively. For the third consecutive year, hourly wages for women (+2.8%) grew faster than those for men (+1.8%). However, these growth rates were the lowest since 2004/05 for women and 1998/99 for men. Women's average hourly wages were 85.6% of men's in 2010/11, the highest figure in comparable records.

Employment growth in 2010/11 led to increases in total weekly wages. After the growth rate of weekly wages fell from 4.9% in 2008/09 to 0.4% in 2009/10, it rebounded to historically comparable levels in 2010/11 (+4.6%). Wage payments determine the premiums paid by employers and employees, as well as the level of benefits that EI claimants receive, calculated as a proportion of a claimant's wage payments up to the maximum insurable earnings (MIE) amount ($43,200 in 2010 and $44,200 in 2011).

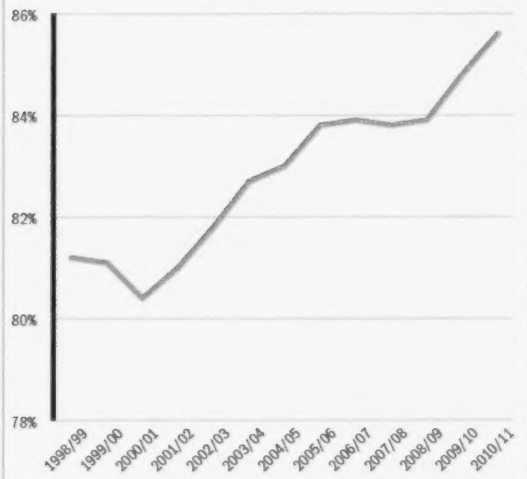
IV. UNEMPLOYMENT

Unemployment fell to 1.5 million (-4.8%) in 2010/11, due to the labour market recovery, after the annual average number of unemployed Canadians rose significantly in the previous fiscal year (+27.0%). As noted earlier in the chapter, this employment pattern is consistent with those from previous recessions: national employment rebounded as the labour market recovered. While unemployment fell in 2010/11, the Canadian labour market recovery remains somewhat tenuous, as shown by unstable quarterly unemployment growth rates. Specifically, unemployment fell in the first quarter of 2010/11 (-1.6%), then rose slightly in the following quarter (+0.7%), followed by a strong third quarter that saw the largest decline in unemployment since the late-2000s recession (-4.5%), and concluding with another slight increase in unemployment during the fourth quarter of the reporting period (+0.4%).

When compared with individuals who became unemployed during the recessions of the early-1980s

CHART 8

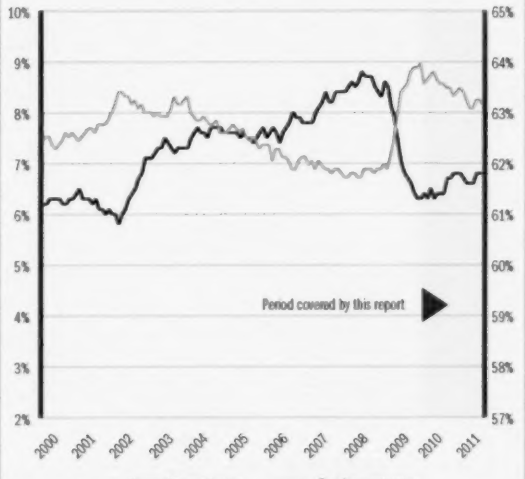
Hourly Female Wages (as Percentage of Male Wages)



Source:
Statistics Canada, Labour Force Survey.

CHART 9

Employment and Unemployment Rates



Source:
Statistics Canada, Labour Force Survey.

and early-1990s, workers who lost their employment during the late-2000s recession tended to be older, better educated, and less likely to come from the manufacturing sector. These changes in the profile of laid-off workers resulted predominantly from changes in the age and education profiles of the Canadian workforce, as well as the gradual decline in the importance of the manufacturing sector.[30]

Unemployment is not only affected by changes in employment, but also by changes in the number of individuals entering or leaving the labour force. While the overall labour force growth rate remained relatively unchanged during the late-2000s recession, patterns varied among the primary age cohorts. Specifically, prime-aged workers' labour force figures increased slightly (+0.5% in 2010/11), youth workers exhibited declines in both 2009/10 (-2.8%) and 2010/11 (-1.0%), and older workers experienced strong labour force growth in 2010/11 (+6.3%).

The annual average unemployment rate in 2010/11 was 7.9%, down from 8.4% in 2009/10. Since the unemployment rate hit its peak in the second quarter of 2009/10 (8.5%), it has fallen steadily, to 8.0% in the first and second quarters of 2010/11 and then to 7.7% during the third and fourth quarters.

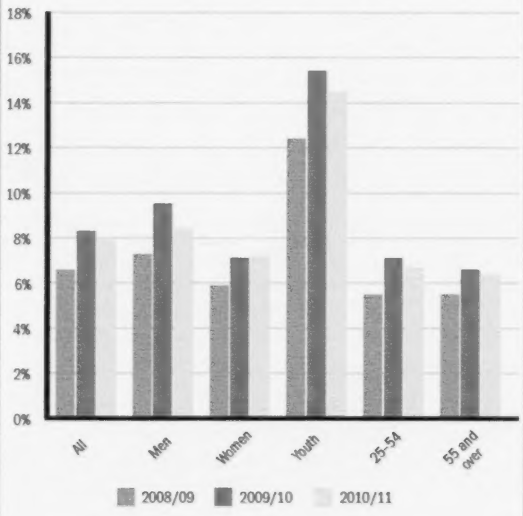
1. Unemployment, by Gender

The male unemployment rate fell to 8.4% (-1.1 percentage points) in 2010/11, after growing to 9.5% (+2.2 percentage points) in 2009/10, which had been the largest such increase since 1982/83, during the early-1980s recession. The unemployment rate for females grew slightly in 2010/11, to 7.2% (+0.1 percentage points), after rising from 5.9% to 7.1% (+1.2 percentage points) in the previous year, which had also been the largest such increase since the early-1980s recession.

Driven by relatively stronger employment growth in 2010/11, men's share of unemployment fell from 59.8% to 56.5%, while women's share rose from 40.2% to 43.5%. As mentioned earlier, men experienced a relatively larger increase in their share of unemployment during the late-2000s recession. Consequently, it is expected that male employment growth would be relatively stronger than that of women during the period of labour market recovery.

CHART 10

Unemployment Rate, by Gender and Age



Source:
Statistics Canada, Labour Force Survey.

Since the first quarter of 2009/10, men's share of unemployment has fallen in every quarter, while women's share has risen.

2. Unemployment, by Age Group

In 2010/11, after two consecutive years of growth, the unemployment rate declined across all three major age demographics, as the Canadian labour market entered a period of gradual recovery. Following a significant increase to 15.4% (+3.1 percentage points) in 2009/10, the youth unemployment rate fell to 14.6% (-0.8 percentage points) in 2010/11.

The unemployment rate for prime-aged workers fell to 6.7% (-0.4 percentage points) in 2010/11. From March 2010 to March 2011, their unemployment rate dropped from 6.9% to 6.4%, as the Canadian economy continued to improve steadily.

The unemployment rate for older workers also declined, from 6.6% to 6.4% in 2010/11. It is interesting to note that older workers actually experienced an increase in unemployment of 7,300 (+3.7%) during the same time period,

[30] Ping Ching Winnie Chan, René Morissette and Marc Frenette, Workers Laid-Off During the Last Three Recessions: Who Were They, and How Did They Fare? (Ottawa: Statistics Canada, September 2011).

indicating that their lower unemployment rate was driven by growth in the labour force, which outweighed the growth in unemployment. Older workers tend to enter or re-enter the labour market during times of recession to earn additional income. Older workers have had the lowest unemployment rate among all major age groups every year in comparable records.

In 2010/11, youth accounted for 28.6% (-0.6 percentage points) of unemployed Canadians, while prime-aged and older workers comprised 57.4% (-0.6 percentage points) and 14.0% (+1.2 percentage points), respectively.

3. Unemployment, by Reason for Job Interruption

There are several reasons that an individual may experience an interruption in employment. The grounds for a given unemployment spell play a crucial role in determining one's EI eligibility, as the program is generally available only to individuals who have lost or left their jobs with just cause and met the eligibility conditions.[31]

The percentage of individuals who were unemployed because they lost[32] their jobs fell from 51.8% in 2009/10 to 45.8% in 2010/11. On the other hand, new entrants/re-entrants (NEREs)[33]—individuals who entered the labour market for the first time or exhibited weak labour force attachment over the last two years or more—accounted for a greater share of the unemployed. Their share of unemployment rose from 30.1% in 2009/10 to 36.5% in 2010/11. The significant increase in the proportion of NEREs among the unemployed likely reflects either a surge in labour force participation among this group, as individuals who were previously not looking for work tried to find suitable employment during the late-2000s recession, or a delayed impact of long-term unemployment, when the only jobs the long-term unemployed can obtain are short term or unstable. The share of the unemployed who left[34] their jobs (17.7%) was similar to that reported in the *2010 Monitoring and Assessment Report*.

4. Unemployment, by Duration

In 2010/11, the average duration of unemployment rose to 20.4 weeks (+2.1), its highest level in 11 years. The unemployment duration fell for those who were unemployed for 51 weeks or less and increased for those who were unemployed for 52 weeks or more. The number of long-term unemployed—those who have been unemployed for more than a year—grew substantially from 75,600 to 102,900 (+36.1%), leading to an increase in the proportion of long-term unemployed among all unemployed people from 4.9% to 7.0%. This marks the third consecutive year that unemployment duration has grown for this group and the second consecutive year that their share of unemployed Canadians has increased. This also represents the largest share of national unemployment for the long-term unemployed in 11 years.

In 2010/11, the proportion of men among the long-term unemployed fell for the third consecutive year, to 62.1% (-2.3 percentage points). The share of youth among the long-term unemployed remained unchanged at 7.0% and the share of older workers fell to 25.9% (-0.6 percentage points). Consequently, the increase in the number of long-term unemployed Canadians was driven by prime-aged individuals, who accounted for 67.2%, up from 66.7% the previous year. Among the long-term unemployed who were prime-aged workers, the proportions of men and women remained similar to those of previous years. Consequently, the decline in the proportion of long-term unemployed men came predominantly from older workers. Specifically, men accounted for 70.0% of long-term unemployed older workers in 2009/10, but that proportion fell to 63.9% in 2010/11; the proportion of women in this category rose accordingly.

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[31] Service Canada determines whether a claimant's reason for job interruption is valid in terms of EI eligibility, in accordance with the *Employment Insurance Act* and the *Employment Insurance Regulations*.

[32] Individuals who lost their jobs are defined as those who were temporarily or permanently laid off.

[33] An insured person is a new entrant or a re-entrant to the labour force if, in the last 52 weeks before his or her qualifying period, the person worked fewer than 490 hours of insurable employment.

[34] Individuals who left their jobs are defined as those who departed due to illness, personal or family reasons, school, dissatisfaction, retirement or other reasons.

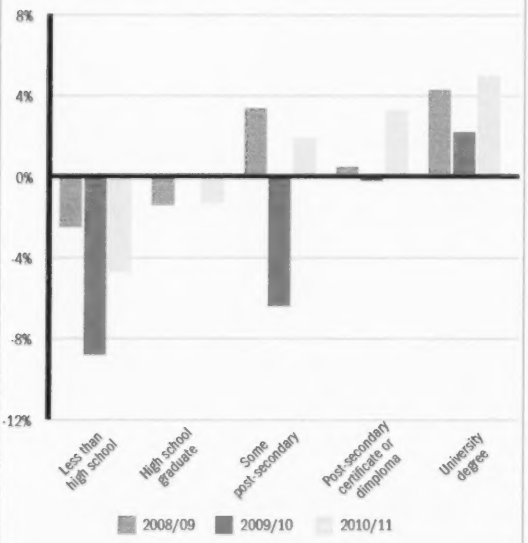
V. EDUCATION

Canada has the highest proportion of working-age individuals[35] with tertiary education[36] of any Organisation for Economic Co-operation and Development (OECD) country. The proportion of Canadians aged 15 years and older with a post-secondary certificate or diploma or a university degree has risen steadily from 43.1% in 2000/01 to 52.2% in 2010/11.

Canadian employment grew by 293,700 (+1.7%) in 2010/11. However, these gains were not evenly distributed among educational levels, as individuals with higher levels of education experienced more successful labour market outcomes. Specifically, individuals with a high school diploma or less observed declines in employment, while all educational groups with some post-secondary education or more enjoyed positive employment growth.

CHART 11

Employment Growth, by Educational Attainment



Source:
Statistics Canada, Labour Force Survey.

Those with some high school education experienced an employment decline of 62,000 (-4.0%), marking their fourth consecutive year of negative employment growth and the 10th in the past 11 years. High school graduates experienced a net decrease of 43,000 (-1.3%) jobs, their third consecutive year of declines. Among individuals with some post-secondary education,[37] employment growth went from a net loss of 93,800 jobs (-6.4%) in 2009/10 to a net gain of 25,600 jobs (+1.9%) in 2010/11, while Canadians with a post-secondary certificate or diploma saw their employment growth change from a decrease of 14,600 (-0.2%) in 2009/10 to an increase of 194,400 (+3.3%) in 2010/11. Individuals with a university degree experienced a significant net job growth of 89,700 (+2.2%) in 2009/10 and 208,700 (+5.0%) in 2010/11.

The unemployment rate among individuals with a university degree was 5.1% in 2010/11, compared with 6.4% among those with a post-secondary certificate or diploma, and 9.8% for those who had some post-secondary education. The unemployment rate was 8.6% among those with a high school diploma, and 15.8% for those who did not complete high school, more than three times higher than that of people with a university degree. In addition, although employment gains were driven by individuals with higher levels of education, all five education demographics experienced a decline in their unemployment rate in 2010/11, after two consecutive years of increases.

[35] The OECD defines the working-age population as persons aged 25 to 64. It should be noted that this differs from Statistics Canada's definition of the working-age population as persons aged 15 and older, which is used throughout the rest of Chapter 2.

[36] The OECD defines tertiary education as education beyond secondary education, involving programs that are largely theory-based and that are designed to provide sufficient qualifications for entry into advanced research programs and professions with high skill requirements. Programs that focus on practical, technical or occupational skills for direct entry into the labour market, and that go beyond the secondary level, are also included. For more information, please see **http://stats.oecd.org/glossary/detail.asp?ID=5568**.

[37] Some post-secondary is defined as those who worked toward, but did not complete, a degree, certificate (including a trade certificate) or diploma from an educational institution, including a university, beyond the secondary level.

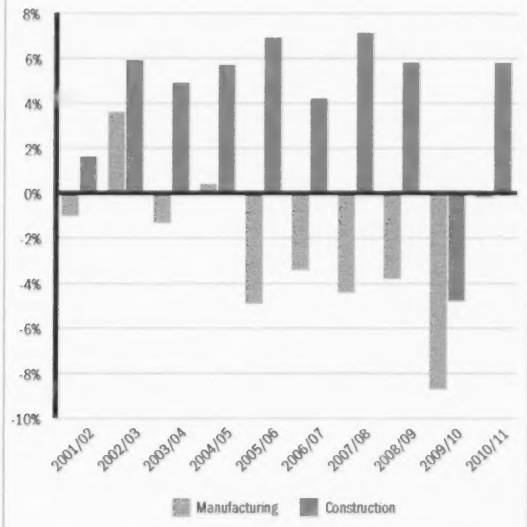
VI. LABOUR MARKETS, BY SECTOR, INDUSTRY AND SIZE OF EMPLOYER

1. Goods-Producing Sector

The goods-producing sector[38] registered an employment gain of 68,800 (+1.9%) in 2010/11, after suffering net job losses of 260,500 (-6.6%) in 2009/10. While the 3.8 million workers in this sector represent one of its lowest levels of employment in comparable records, this was the first increase in annual employment for the goods-producing sector in six years and the largest since 2002/03. For the second consecutive year, the goods-producing sector comprised 22.0% of national employment, its lowest proportion in comparable data.

CHART 12

Employment Growth, Manufacturing and Construction



Source:
Statistics Canada, Labour Force Survey.

Since an employment decline of 193,800 (-4.9%) in the fourth quarter of 2008/09 and two subsequent quarters of net job losses (-1.8%; -1.2%), the goods-producing sector has shown consistent recovery. Since the third quarter of 2009/10, the sector experienced employment gains in five of the following six quarters, including 1.2% growth in the fourth quarter of 2010/11, the largest since the late-2000s recession.

After an employment decline of 167,600 (-8.7%) in 2009/10, the manufacturing sector stabilized somewhat in 2010/11, registering less pronounced employment losses of 4,100 (-0.2%). Historically, employment in manufacturing has been among the first to decline during recessions[39] and the sector was hit particularly hard by the late-2000s recession. Employment losses in manufacturing were exacerbated by competitive pressures arising from a relatively strong Canadian dollar, and the sector has recorded net job losses every year since 2005/06.[40] Manufacturing accounted for 10.3% of all jobs in 2010/11, its lowest share in comparable data.

After a six-year period in which it registered the greatest employment gains in the goods-producing sector, the construction industry lost 58,400 (-4.8%) net jobs in 2009/10. However, as the Canadian economic recovery took hold in 2010/11, construction gained 67,400 net jobs (+5.8%), more than outweighing employment losses from the previous year. Given that employment in the construction industry dropped during the late-2000s recession, this industry was expected to register a notable employment increase as the Canadian labour market recovered. Construction accounted for 7.2% (+0.3 percentage points) of national employment in 2010/11, its highest share in comparable data.

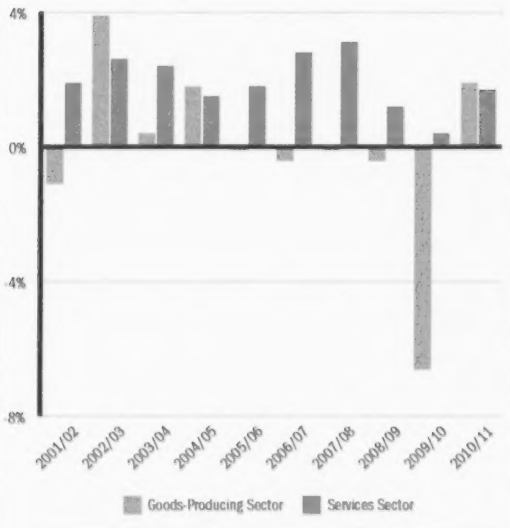
[38] The goods-producing sector is composed of five goods-producing industries under the North American Industry Classification System (NAICS). The Labour Force Survey (LFS) uses a variant of the NAICS 2007 classification and applies a different definition of the components of the goods-producing sector. The components in the LFS are the agriculture industry; the forestry, fishing, mining, oil and gas industry; the utilities industry; the construction industry; and the manufacturing industry. For more information, please see **http://www.statcan.gc.ca/subjects-sujets/standard-norme/naics-scian/2007/index-indexe-eng.htm**.

[39] Statistics Canada, *Labour Market Review 2009* (Ottawa: Statistics Canada, April 2010).

[40] The Conference Board of Canada, *Lessons From the Recession: Lesson 3 – Recession Only Delayed the Inevitable Workforce Shortages* (Ottawa: The Conference Board of Canada, February 2010).

CHART 13

Employment Growth, by Sector



Source:
Statistics Canada, Labour Force Survey.

2. Services Sector

The services sector[41] comprised 13.4 million jobs and over three quarters (78.0%) of Canadian employment in 2010/11, a share that has risen steadily since the late-1970s and is currently the highest in comparable records. The services sector experienced an employment gain of 224,900 (+1.7%) in 2010/11, after a gain of 49,900 (+0.4%) net jobs in 2009/10, which was its lowest growth since 1992/93.

This sector was adversely affected by the late-2000s recession. In the fourth quarter of 2008/09, when the Canadian labour market suffered its largest employment losses, the sector lost 55,300 (-0.4%) net jobs. However since that time, the services sector has helped drive the Canadian labour market recovery, registering employment gains in eight consecutive quarters, including 47,400 (+0.4%) net jobs in the fourth quarter of 2010/11.

Within the sector, the professional, scientific and technical services industry, and the health care and social assistance industry, exhibited the two strongest employment gains in 2010/11. The professional, scientific and technical services industry saw its employment growth rise from 14,800 (+1.2%) in 2009/10 to 79,000 (+6.6%) in 2010/11, and its employment share increased to 7.5%, the highest in comparable records. Employment growth in the health care and social assistance industry rose from 46,500 (+2.4%) in 2009/10 to 88,400 (+4.5%) in 2010/11, and its employment share increased to 12.0%, also the highest in comparable records.

3. Employment, by Size of Employer

According to Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH),[42] the total number of employees[43] in Canada grew by 128,862 (+0.9%) in 2010/11, after falling by 312,446 (-2.1%) in 2009/10. Moreover, following 2009/10, which saw firms of all sizes experience employment losses, firms of all sizes registered employment gains in 2010/11. Among the total of 14.4 million employees in 2010/11, 54.0% worked for small and medium-sized enterprises (SMEs).[44] Moreover, for the first time since the turn of the century, the proportion of employees working for SMEs did not decline (+0.0%). Among Canadian SMEs, enterprises with fewer than 20 employees accounted for 20.4% of national employment, those with 20 to 99 employees accounted for 18.9%, and enterprises with 100 to 499 employees comprised 14.8%.

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[41] The services sector is composed of 15 services industries under NAICS, which is used for EI administrative data. The LFS uses a variant of the NAICS 2007 classification for labour force statistics. The LFS variant applies a different definition of the components of the services sector, resulting in 11 services industries.

[42] The following industries are not included: agriculture, fishing and trapping, private household services, religious organizations and defence services (military personnel).

[43] Employees are defined in the Survey of Employment, Payroll and Hours (SEPH) as persons receiving pay for services rendered in Canada or for paid absence, and for whom the employer is required to complete a Canada Revenue Agency T-4 Supplementary Form. These persons may work on a full-time, part-time, casual or temporary basis. The number of employees differs between the SEPH and the LFS.

[44] Small and medium-sized enterprises (SMEs) are defined as all businesses with fewer than 500 employees, according to Industry Canada. For more information, see **http://www.ic.gc.ca/eic/site/sbrp-rppe.nsf/eng/rd02492.html**.

Large firms—those with 500 employees or more—accounted for 46.0% of Canadian workers. The employment trend for large firms was the opposite of that for SMEs – that is, 2010/11 was the first time in the last 10 years that there was no increase in large firms' share of employees.

CHAPTER 3

INCOME BENEFITS

This chapter provides an overview of Employment Insurance (EI) benefits under Part I of the Employment Insurance Act. *The first section analyzes the number of claims[1] and benefits paid[2] in 2010/11. The second section examines income support provided by EI regular benefits to individuals who lost their jobs through no fault of their own. The last section examines the role EI plays in assisting Canadians to balance work commitments with family responsibilities and personal illness through special benefits, which include maternity, parental, sickness and compassionate care benefits.*

The analysis in this chapter uses EI administrative data and is based on a 10% sample.[3] Throughout the chapter, data for 2010/11 are compared with data from previous years.[4] In some instances, quarterly analysis and long-term trends are discussed. More detailed information on the various elements discussed in this chapter can be found in Annex 3.

I. EI INCOME BENEFITS

After large increases in EI claim volume and benefits paid in both 2008/09 and 2009/10, the number of claims declined in 2010/11, as the labour market continued to recover from the late-2000s recession. This lower volume of claims, coupled with the previously announced gradual phasing out of the temporary EI measures that were introduced as part of Canada's Economic Action Plan, resulted in a significant decrease in total EI benefits paid.

1. Total Income Benefits Claims

Total income benefits claims include regular, fishing and special benefit claims as well as claims established under Work-Sharing agreements. In 2010/11, the total number of new income benefits claims fell from 2.17 million to 1.84 million, representing a decrease of 14.7%. Although most of this decline was concentrated in the number of regular claims (-13.6%), the number of EI special benefits claims declined as well (-2.2%). The smaller volume of claims recorded in 2010/11 was largely due to the ongoing recovery of the Canadian labour market and the subsequent significant reduction in Work-Sharing claims, as well as the winding down of the temporary EI measures. Reflecting the on-going economic recovery, the volume of Work-Sharing claims fell from 127,880 in 2009/10 to 21,080 in 2010/11 (-83.5%).

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1 Claims refer to new claims established in 2010/11 for which at least $1 of EI benefits was paid. Multiple types of benefits could be included in a single claim.

2 Benefits paid in 2010/11 could be associated with claims established in previous fiscal years.

3 Due to the relatively small number of fishing and compassionate care claims, 100% of these claims established during 2010/11 are used, to ensure reliability.

4 Administrative data in this report provide a snapshot of claims in August 2011. A snapshot based on a different time period would provide different results.

CHART 1

Total New Claims, by Quarter

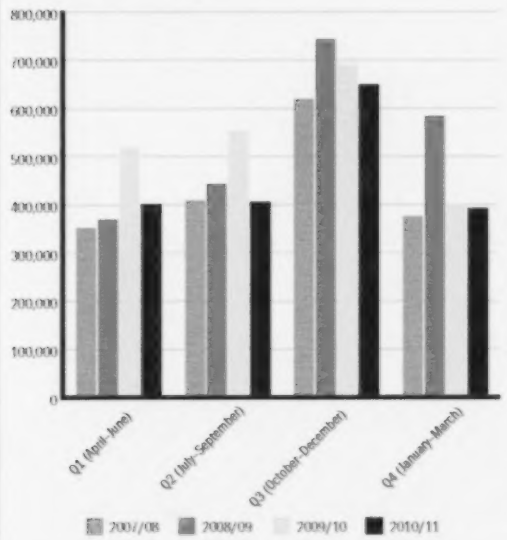
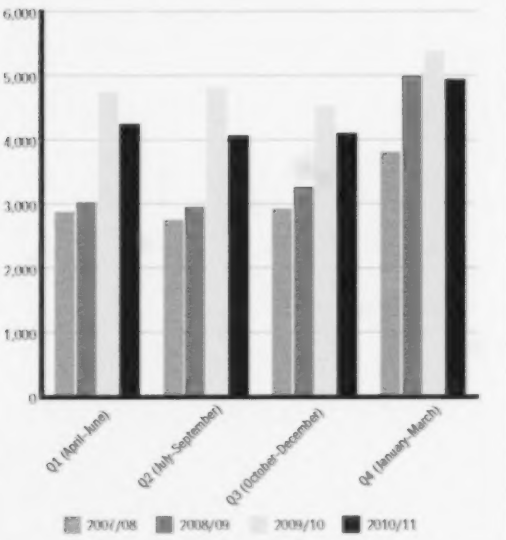


CHART 2

Benefits Paid, by Quarter ($ Million)



A quarterly analysis[6] of all established income benefits claims revealed that a large decline occurred in the fourth quarter of 2009/10 (-31.3%), which was a quarter of strong economic growth.[7] The first and second quarters of 2010/11 also exhibited significant declines in the number of EI claims (-22.8% and -26.8%, respectively), followed by more modest declines in the third and fourth quarters (-6.3% and -2.1%, respectively). As indicated in Chapter 2, these four quarters featured moderate economic growth.

2. Total Income Benefits Paid

Total benefits paid declined from $19.4 billion in 2009/10 to $17.3 billion in 2010/11 (-10.8%). Table 1 provides a breakdown of benefits paid by benefit type in 2010/11. Total benefits paid were also lower in each quarter of 2010/11 than they were in 2009/10, as illustrated in Chart 2. However, benefits paid in 2010/11 were still significantly higher than those paid before the late-2000s recession. In comparison to 2007/08, total income benefits were 40.5% higher.

TABLE 1

Total Income Benefits (Part I), 2010/11

Type of Benefit	Benefits Paid ($ Million)	%
Regular	12,294.4	71.0
Special		
Parental	2,179.4	12.6
Sickness	1,066.0	6.2
Maternity	921.4	5.3
Compassionate Care	11.0	0.1
EBSM Participants	510.6	2.9
Work-Sharing	98.3	0.6
Fishing	241.7	1.4
Total[5]	**$17,323.5**	**100%**

The fall in total benefits paid was driven by a 12.4% decline in regular benefits paid relative to 2009/10. Regular benefits accounted for 71.0% of total income benefits paid in 2010/11, decreasing slightly from 72.3% in the previous year (-1.3 percentage points).

[5] The numbers in this column do not add up to the total presented because compassionate care benefits are based on a 100% sample rather than a 10% sample.

[6] This analysis compares quarters in one fiscal year with the corresponding quarters in the previous fiscal year.

[7] Annualized GDP growth was 5.6% in the fourth quarter of 2009/10.

Total Income Benefits and the Economic Action Plan

As of March 31, 2011, $2.9 billion in additional benefits had been paid to over 1.4 million claimants[8] as a result of the Economic Action Plan temporary EI measures. More than $1.6 billion in additional benefits were paid to 711,400 EI claimants in 2010/11 alone.

TABLE 2

Claimants Affected and Benefits Paid Under the Economic Action Plan

		2008/09	2009/10	2010/11	Total
Extension of EI Regular Benefits	Claims Affected	88,010	578,670	580,260	1,246,940
	Benefits Paid ($ Million)	80.7	828.9	832.3	1,742.0
Extension of EI Benefits for Long-Tenured Workers	Claims Affected	N/A	61,420	128,360	189,780
	Benefits Paid ($ Million)	N/A	187.6	622.2	809.8
Career Transition Assistance	Claims Affected	N/A	7,874	2,401	10,275
	Benefits Paid ($ Million)	N/A	14.7	80.6	95.2
Work-Sharing[9]	Benefits Paid ($ Million)	N/A	206.3	78.6	284.9

In contrast to regular benefits, special benefits tend to be relatively less sensitive to economic cycles and more sensitive to changes in labour force characteristics, such as the participation rate. For instance, from 2007/08 to 2010/11, regular benefits paid rose by 54.5%, while special benefits paid only rose by 13.0%. In addition, over the same period, special benefits claims increased by only 0.5%.

In 2010/11, special benefits claims accounted for 27.0% of total claims (+3.5 percentage points). Despite the increase in the proportion of special benefits claims, special benefits paid decreased slightly, from $4.21 billion in 2009/10 to $4.18 billion in 2010/11 (-0.7%). Special benefits payments represented 24.1% of total income benefits paid, of which parental benefits accounted for the largest share (52.2%). Women typically establish more claims for special benefits than men do and this trend continued in 2010/11, as over two thirds (67.8%) of special benefits claims were made by women.

All other types of benefits (Employment Benefits and Support Measures (EBSMs), fishing benefits, and benefits paid under Work-Sharing agreements) comprised 4.9% of total income benefits payments. Although benefits paid under EBSMs, fishing and Work-Sharing agreements declined by 27.9% in 2010/11, they remained 25.5% higher than what was paid in 2007/08.

3. Total Claims and Benefits Paid, by Province and Territory

Provincial and territorial labour markets vary in demographic and industrial composition. As shown in Table 3, the result is that the provincial/territorial distribution of EI claims is not aligned with their distribution of employees.

[8] The number of claimants who received additional EI benefits as a result of the Economic Action Plan measures is determined according to when the additional benefits were paid rather than when the claim was established.

[9] The number of additional Work Sharing claimants who received additional EI benefits as a result of the Economic Action Plan measures cannot be identified and thus is not included in this figure.

The Atlantic provinces accounted for 15.5% of total EI claims in 2010/11, with just 6.7% of all employees, representing the largest combined percentage-point difference between the share of EI claims and the share of employees. Ontario and Quebec had the largest share of employees, with Ontario accounting for 38.4% of national employment and Quebec accounting for 23.0%. These two provinces also had the largest share of total EI claims, with 30.7% and 27.4%, respectively.

The Prairie provinces accounted for 13.8% of total EI claims, with 18.7% of all employees. British Columbia comprised 12.3% of total EI claims and 12.8% of total employees. Northern Canada, which represents only 0.4% of all employees in Canada, accounted for 0.3% of all EI claims made in 2010/11.

In 2010/11, total benefits paid declined in every province and territory, except Nunavut (+4.8%), with the largest declines occurring in Alberta (-19.2%), Ontario (-15.1%) and Yukon (-12.3%). With the exception of Nunavut (+15.1%), the number of new EI claims also fell in every province and territory.

The largest declines in EI claims occurred in Alberta (-23.0%), Ontario (-19.2%), British Columbia (-13.7%) and Quebec (-12.6%). Moreover, with the exception of British Columbia (+$0.0), average weekly benefit rates increased in every province and territory. The most notable increases took place in the Northwest Territories (+$14.5), Newfoundland and Labrador (+$13.5) and Yukon (+$11.5). Provincial and territorial average weekly benefit rates ranged from $358 in Manitoba to $440 in the Northwest Territories and the highest average weekly benefit rates were recorded in the three territories.

4. Total Claims and Benefits Paid, by Industry

Following strong economic growth in the last two quarters of 2009/10, Canadian industries continued to recover from the late-2000s recession in 2010/11. After a 7.7% decrease in the total number of claims established in 2009/10, the goods-producing sector registered a 21.7% decline in 2010/11. This decline is attributable to the fact that claims in the goods-producing sector increased significantly during the late-2000s

TABLE 3

Total EI Claims, Employees[10] and Total Benefits Paid, by Province and Territory, 2010/11

Province or Territory	% of Total EI Claims	% of Employees	% of Total Benefits Paid
Newfoundland and Labrador	4.6	1.4	5.1
Prince Edward Island	1.3	0.4	1.3
Nova Scotia	4.7	2.8	4.6
New Brunswick	4.9	2.2	4.8
Quebec[11]	27.4	23.0	22.5
Ontario	30.7	38.4	33.9
Manitoba	3.2	3.8	2.8
Saskatchewan	2.4	3.0	2.4
Alberta	8.2	11.9	9.4
British Columbia	12.3	12.8	12.8
Nunavut	0.1	0.1	0.1
Northwest Territories	0.1	0.2	0.2
Yukon	0.1	0.1	0.2
Canada	**100**	**100**	**100**

[10] Statistics Canada, *Employment, Earnings and Hours* (Ottawa: Statistics Canada, monthly), Cat. No. 72-002-XIB.

[11] Quebec claims do not include claims for maternity and parental benefits, as the province has its own program—the Quebec Parental Insurance Plan (QPIP)—to provide such benefits.

recession. After the large decline in claim volume in 2010/11, the number of claims in this sector returned to pre-recession levels (-4.9% compared with 2007/08). An analysis of quarterly rates[12] reveals that the sector experienced large fluctuations in claim volume in each quarter of 2010/11. The number of claims fell significantly in the fourth quarter of 2009/10 (-47.8%), and in the first two quarters of 2010/11 (-51.7% and -28.7%, respectively), then experienced more modest declines in the third and fourth quarters (-8.4% and -1.2%, respectively).

Meanwhile, benefits paid in the goods-producing sector fell by 22.5% in 2010/11, after a 38.4% increase in 2009/10. The two largest industries in the sector—manufacturing and construction—experienced declines in benefits paid of 34.9% and 9.1%, respectively.

After a 7.1% increase in 2009/10, the number of EI claims in the services sector fell by 11.0% in 2010/11. In fact, from the second quarter of 2009/10—when Canadian employment began to recover from the recession[13]—to the end of 2010/11, the number of new claims in the services sector fell from 387,930 to 237,120 (-38.9%). Furthermore, with the exception of health care and social assistance (+4.9%), the number of claims fell in all industries in 2010/11. Claim volumes in educational services fell by 26,510 (-13.7%), claims in administrative support and waste management declined by 21,160 (-14.6%) and claims in professional, scientific and technical services fell by 20,620 (-18.3%).

When each quarter of 2010/11 is compared with the corresponding quarter from the previous year, benefits paid in the services sector increased slightly in the first quarter (+2.9%), then fell in each subsequent quarter—by 6.4%, 3.9% and 5.5%, respectively. The overall amount of benefits paid in the sector fell by 3.5% in 2010/11, after an increase of 34.7% the previous year. The number of new claims in the services sector (-21.7%) dropped more than the decline in benefits paid (-11.0%), largely because of a significant decline in claim volume in the second quarter (-26.8%), as all other quarterly declines were by 5% or less. In 2010/11, the largest decline in benefits paid in the sector occurred in professional, scientific and technical services, followed by transportation and warehousing and administrative and support, waste management and remediation services.

5. Total Income Benefits, by Gender and Age

The number of claims established by women fell by 100,380 in 2010/11 (-10.7%), following an increase of 30,650 in 2009/10 (+3.4%), while the number of claims established by men declined by 218,290 (-17.8%), after a modest decline in 2009/10 (-0.3%). As indicated in Chapter 2, recessionary job losses, and subsequent increases in EI claims, affected men more than women.

A portion of the decline in EI claims for women was due to the 8.6% drop in the number of claims established in the services sector, where women tend to be employed in greater numbers than men (women made up 55.0% of workers in that sector in 2010/11).[14] The proportion of total EI claims established by women, including special benefits claims, increased to 45.3% in 2010/11 (+2.0 percentage points). The late-2000s recession had a relatively greater impact on industries in the goods-producing sector, such as manufacturing and construction, where men are overrepresented (men account for 72.2% and 89.4% of employment in those sectors, respectively).

Total benefits paid to men decreased by 17.0% in 2010/11, after increasing by 47.3% in the previous year, while benefits paid to women fell by 2.6%, after an increase of 24.6% in the previous year. For men, regular benefits paid declined by 17.2% and special benefits paid fell by 4.7%. Regular benefits paid to women fell by 2.8%, while special benefits paid declined by 0.8%. Despite an overall decline in 2010/11, total benefits paid remained significantly higher than pre-recession levels. In comparison to 2007/08, total income benefits paid rose by 46.7% for men and 33.9% for women, respectively.

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[12] This analysis compares quarters in 2010/11 with the corresponding quarters in 2009/10.

[13] The second quarter of 2009/10 was the first quarter of positive employment growth since the recession.

[14] Statistics Canada, *Labour Force Information* (Ottawa: Statistics Canada, monthly), Cat. No. 71-001-XIE.

After increasing over the previous two years, total EI claims for youth and older workers fell by 35,210 (-13.9%) and 32,200 (-9.4%), respectively, in 2010/11. These declines were encouraging as, from 2007/08 to 2009/10, these cohorts had seen EI claims increase by 24.6% and 32.0%, respectively. Individuals aged 25 to 44, as well as those aged 45 to 55, registered 15.1% and 18.0% fewer claims in 2010/11 respectively, the largest such declines among all age groups.

Although claim volume fell for each age group in 2010/11, the overall number of claims remained 5.1% higher than it was in 2007/08. Specifically, since 2007/08, claims have risen by 7.3% for youth, 1.8% for prime-aged workers and 19.6% for older workers. The larger increase in claim volume among workers aged 55 and older is likely attributable to the lingering effects of the late-2000s recession, as the precarious financial climate caused some older workers to either re-enter the labour market to earn additional income or postpone retirement until the economy strengthens.

6. Family Supplement

The Family Supplement[15] provides additional benefits to low-income families with children, giving eligible claimants a benefit rate of up to 80% of their average weekly insurable earnings. In 2010/11, a total of 109,590 claims were made for the Family Supplement, a decrease of 10,700 from the previous year (-8.9%). Benefits paid under the Family Supplement fell by 9.4% to $129.7 million compared with the previous year and the average weekly top-up fell from $43 to $42. Chapter 6 provides a more detailed analysis of Family Supplement trends.

7. EI Premiums

In 2009, the most recent year for which tax data are available, 17.7 million workers in Canada received employment income. In the same year, $17.1 billion was paid in EI premiums—$7.4 billion by employees and $9.6 billion by employers.[16] Annex 3.16 shows the distribution of total EI premiums by province, gender, age and industry.

II. ASSISTING CANADIANS DURING UNEMPLOYMENT

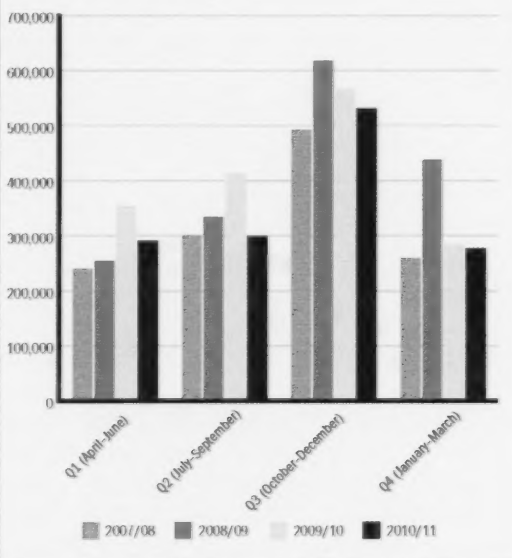
1. Regular EI Benefits

1.1 Regular Benefit Claims

In 2010/11, there were 1.4 million new EI regular claims, a decrease of 13.6% compared with the previous year. Despite this decline, the volume of new regular claims remained 7.9% higher than in 2007/08, prior to the late-2000s recession. As shown in Chart 3, the number of new regular claims decreased in all quarters in 2010/11 compared with the same quarters in 2009/10. This was especially true in the first two quarters of 2010/11, when the volume of initial regular claims decreased by 17.8% and 27.5%, respectively. The third and fourth quarters registered more modest declines of 6.3% and 2.7%, respectively.

Since the third quarter of 2009/10 when the economy began to show clear signs of recovery, the number of

CHART 3
New Regular Claims, by Quarter



[15] Low-income families are defined as families with a net income of up to $25,921 per year.

[16] Employer contributions are calculated as 1.4 times employee contributions, with the exception of employers that qualify for the Premium Reduction Program, which contribute less than that factor. Premium reductions amounted to about $861 million in 2010.

new regular claims has been declining. For the first time since the onset of the late-2000s recession, on a quarterly year-over-year basis, the volume of regular claims in the second quarter of 2010/11 was 0.7% lower than the volume registered in the same quarter of 2007/08. By the fourth quarter of 2010/11, the number of new regular claims was only 6.7% higher than the number in the same quarter in 2007/08.

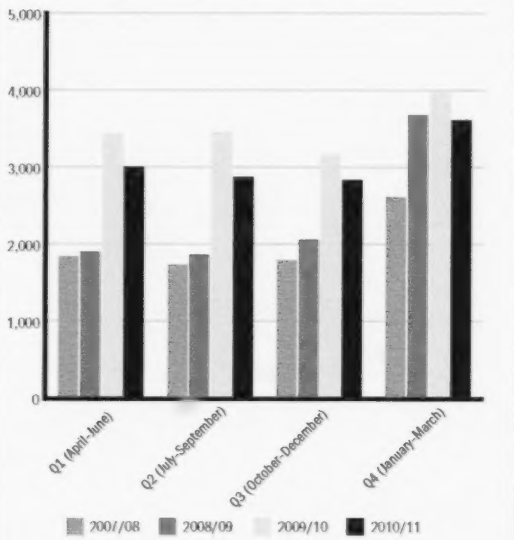
1.2 Regular Benefits Paid

Total regular benefits paid decreased by 12.4% to $12.29 billion in 2010/11. Regular benefits paid decreased in all quarters in 2010/11 compared with the corresponding quarters in 2009/10. The largest decrease occurred in the second quarter of 2010/11, when regular benefits paid decreased by 17.1% compared with the same quarter in 2009/10. Despite this decrease, total payments for regular benefits remained 54.5% higher than they were in 2007/08.

In line with the trend in previous years, the average weekly benefit for regular claims rose from $367 in 2009/10 to $371 in 2010/11. This rise was a result of the combined effect of the 2.2% increase in average weekly wages over the period, as explained in Chapter 2, and the increase in the maximum weekly benefit rate, which rose from $457 in 2010 to $468 in 2011.

CHART 4

Regular Benefits Paid, by Quarter ($ Million)



Regular Benefits and the Economic Action Plan[17, 18]

As shown in Table 4, the following groups were more likely to benefit from the Extension of EI Regular Benefits temporary measure compared to their proportion of all new regular claims: regular claimants in Ontario; women; older workers; first-time claimants; and those in the services sector. On the other hand, regular claimants in the Atlantic provinces and Quebec, men, core-age workers (25 to 44 years old), frequent claimants and those in the goods-producing sector were less likely to benefit from this temporary measure.

Relative to their proportion of all new regular claims, beneficiaries of the Extension of Benefits for Long-Tenured Workers temporary measure were overrepresented among regular claimants in Ontario, British Columbia and Alberta; those aged between 45 and 54 and, especially, those aged 55 and over; first-time claimants; and those in the services sector. In contrast, the following groups were underrepresented among beneficiaries of this temporary measure: regular claimants in the Atlantic provinces and Quebec; workers aged 25 to 44 and, especially, those under 25 years of age; frequent claimants; and those in the goods-producing sector.

Beneficiaries of the Career Transition Assistance (CTA) initiative were overrepresented in Ontario, Manitoba and British Columbia, and they were more likely to be women, core-age workers (25 to 44 years old) or first-time claimants compared to their proportion of all new regular claims. Alternatively, beneficiaries of CTA were underrepresented in the Atlantic provinces, Alberta, Quebec and Saskatchewan, as well as among men, young workers (under 25 years old), older workers (55 years and older) and frequent claimants.

[17] The estimates of claimants affected and payments made in 2008/09 and 2009/10 under the Economic Action Plan (EAP) temporary measures has been slightly revised from what was reported in the *2010 Monitoring and Assessment Report* as more up-to-date data have become available.

[18] The number of claimants who received additional EI benefits as a result of the EAP measures is determined according to when the additional benefits were paid rather than when the claim was established.

Regular Benefits and the Economic Action Plan

TABLE 4

Profile of Regular Claimants Affected by EAP Temporary Measures[19]

	Claims Affected (as of March 31, 2011)			
	New Regular Claims Established Between 2008/09 and 2010/11 (%)	Extension of EI Regular Benefits (%)	Extension of Benefits for Long-Tenured Workers (%)	Career Transition Assistance Initiative (%)
Province				
Newfoundland and Labrador	4.6	3.0	1.4	1.4
Prince Edward Island	1.2	0.8	0.3	0.7
Nova Scotia	4.4	3.5	2.3	3.5
New Brunswick	4.9	3.8	2.0	3.2
Quebec	30.8	26.0	21.0	30.7
Ontario	30.5	36.0	43.2	38.4
Manitoba	2.6	2.6	2.2	4.7
Saskatchewan	2.0	1.6	1.4	1.9
Alberta	7.2	8.6	12.1	4.0
British Columbia	11.4	13.8	13.9	11.5
Nunavut	0.1	0.0	0.0	0.0
Northwest Territories	0.1	0.1	0.1	0.0
Yukon	0.1	0.1	0.0	0.1
Gender				
Male	61.9	60.0	61.7	57.4
Female	38.1	40.0	38.3	42.6
Age				
Under 25	11.5	11.1	0.1	0.2
25–44	45.8	44.9	38.6	61.1
45–54	25.5	24.8	31.9	30.3
55 and over	17.2	19.1	29.3	8.4
EI History				
First-Time Claimants	36.7	48.5	64.7	63.1
Occasional Claimants	31.3	32.9	32.9	34.0
Frequent Claimants	32.0	18.6	2.4	2.8
Industrial Sector[20]				
Goods-Producing	40.7	38.4	39.3	41.3
Services	56.8	58.9	59.0	57.4
National	**4,655,940 (100.0%)**	**1,246,940 (100.0%)**	**189,780 (100.0%)**	**10,275 (100.0%)**

[19] Please note that new regular claims established do not coincide completely with beneficiaries affected by the EAP temporary measures. Nevertheless, the proportions of new regular claims established provide an approximate standard with which to compare the proportions of those affected by the EAP temporary measures.

[20] The proportions for industrial sectors do not add up to 100% since the industry category is unspecified for some claims.

1.3 Regular Benefits, by Province and Territory

In 2010/11, all provinces and territories—with the exception of Nunavut and Yukon—recorded decreases in the number of new regular claims established compared with 2009/10. The most notable decreases occurred in Alberta (-26.1%), Ontario (-17.9%) and Saskatchewan (-15.1%).

Despite the overall decline in 2010/11, the number of new regular claims remained above pre-recession levels for most provinces and territories. In 2010/11, Ontario reported a volume of new regular claims 5.0% higher than that in 2007/08. While the Atlantic provinces reported a volume of new regular claims in 2010/11 slightly above (+2.0%) the levels in 2007/08, the volume in the Western provinces[21] remained well above (+36.0%) 2007/08 levels. Newfoundland and Labrador (-3.8%), and Quebec (-1.8%), were the only provinces to report lower levels of new regular claims than those in 2007/08. In contrast, new regular claims remained 88.5% higher in Nunavut, 67.1% higher in Alberta and 31.9% higher in British Columbia than pre-recession levels.

1.4 Regular Benefits, by Industry

The number of new regular claims in the goods-producing sector decreased by 16.1% in 2010/11 and, for the first time since the onset of the late-2000s recession, the volume of new regular claims was 2.2% lower than the figure recorded in 2007/08. The decline in 2010/11 reflected decreases in industries with the highest proportions of new regular claims in the goods-producing sector: manufacturing (-27.3%) and construction (-6.8%). In fact, this is the second consecutive yearly decrease in the number of regular claims in the manufacturing industry. This decline was partially due to the substantial recovery in this industry, which followed the significant 47.4% increase in claims in 2008/09 due to the late-2000s recession. The mining, and oil and gas extraction industry had the largest decrease (-32.7%) among all industries in the goods-producing sector in 2010/11.

The services sector saw a 12.7% decrease in new regular claims in 2010/11. However, the number of new regular claims established remained 12.2% higher than it was in 2007/08, prior to the late-2000s recession. Compared with figures in 2009/10, the largest decreases in the services sector in 2010/11 occurred in the information and cultural (-23.0%), wholesale trade (-20.9%), finance and insurance (-19.9%) and transportation and warehousing (-19.3%) industries. The industry in the services sector with the largest proportion of claims, educational services, also saw a decrease in the number of claims (-15.5%).

1.5 Regular Benefits, by Gender and Age

In 2010/11, the number of new regular claims decreased for both men (-14.9%) and women (-11.4%). New regular claims established by men decreased for a second consecutive year after increasing significantly (+34.9%) in 2008/09. Despite the recent decreases, new regular claims remain 9.3% higher for men and 5.9% higher for women than before the onset of the recession in 2007/08. The proportion of regular claims established by women (39.3%) increased by 1.0 percentage point while that for men (60.7%) decreased by 1.0 percentage point in 2010/11.

The number of new regular benefits claims declined for all age groups. Workers under 25 (-14.6%) as well as those 25 to 44 (-15.1%) and those 45 to 54 (-14.8%) registered the biggest declines in new regular claims compared with the previous year, while workers 55 or older established 7.0% fewer claims in 2010/11 compared with the previous year. The distributions of new regular claims among age cohorts in 2010/11 remained almost unchanged from 2009/10. Workers aged between 25 and 54 established about 70% of regular claims in 2010/11; young workers, those under 25, made 11.6%; and older workers, those 55 and over, made 18.4%.

[21] The Atlantic provinces comprise Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick, while the Western provinces comprise Manitoba, Saskatchewan, Alberta and British Columbia.

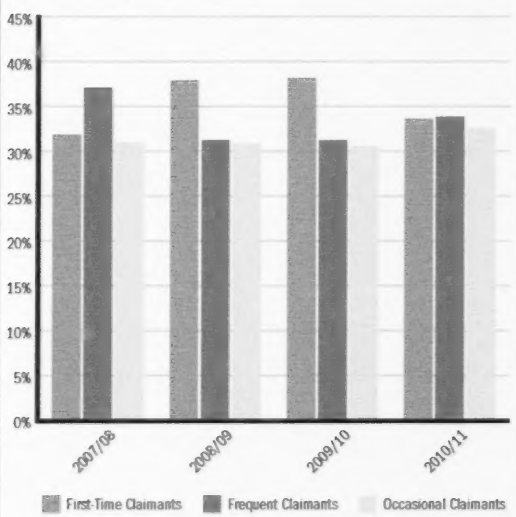
1.6 Regular Benefits, by EI History

The number of first-time claimants declined significantly by 24.1% in 2010/11, which reverted the upward trend registered during the last two years. As shown in Chart 5, the proportion of regular benefit claims established by first-time claimants[22] decreased to 33.6%, after reaching a peak of 38.2% in 2009/10. The increase in the proportion of first-time claimants in 2008/09 and 2009/10 was a direct result of the late-2000s recession, which created an influx of claimants who previously never required regular benefits.

Alternatively, frequent claimants'[23] share of all regular benefit claims increased to 33.8%, after remaining at 31.2% for the last two years. Despite this proportional increase, the number of frequent claimants who established regular claims in 2010/11 decreased by 6.4% compared with 2009/10. The proportion of regular claims made by occasional claimants[24] was 32.6% in 2010/11, an increase from 30.6% in 2009/10. Unlike the proportions of first-time and frequent claimants, the proportion of occasional claimants was not significantly affected by the late-2000s recession.

CHART 5

First-Time, Frequent and Occasional Claimants' Share of Regular Claims

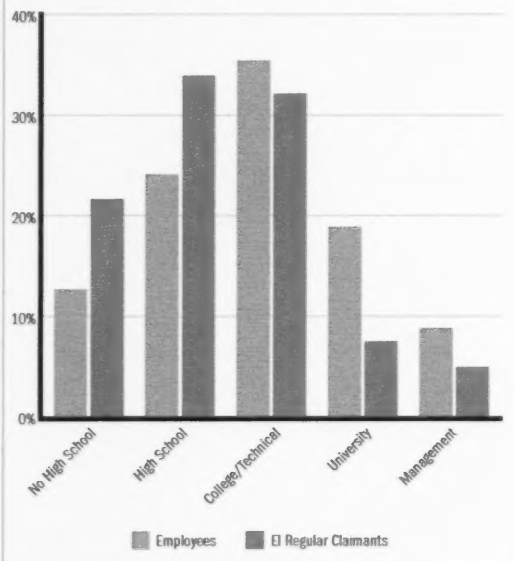


1.7 Regular Benefits, by Education Level

As discussed in Chapter 2, individuals with higher educational attainment tend to experience more successful labour market outcomes than those with less education. Chart 6 compares the distribution of employment by educational attainment required with the distribution of EI regular claimants by educational attainment in 2010/11. Individuals employed in occupations that did not require a high school diploma accounted for 12.7% of employees but represented 21.6% of all EI regular claimants. However, employees in occupations that required a university degree accounted for 18.9% of employment but represented only 7.5% of regular claimants. As discussed in previous reports, the inverse relationship between educational attainment and use of EI regular benefits has remained constant over time.

CHART 6

Distribution of Employment and EI Regular Claimants, by Educational Requirement of Their Occupation, 2010/11



Source:
Statistics Canada, Labour Force Survey.

[22] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim.
[23] Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.
[24] Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim.

1.8 Seasonal Claimants' Share of Regular Benefits

In 2010/11, seasonal claims[25] represented 27.3% of all regular claims established. As the proportion of first-time claimants starts to decrease, the proportion of seasonal claimants begins to return to pre-recession levels. Prior to the late-2000s recession, seasonal workers represented 30.5% of new regular claims in 2007/08. That figure dropped to 25.8% in 2009/10, when the proportion of first-time claimants who established a regular claim peaked.

There is considerable variation in seasonal patterns of claims across the country. As shown in Table 5, economies in Eastern Canada rely more heavily on seasonal industries than do economies elsewhere. As a result, these provinces have the highest proportion of seasonal claimants. Provinces in the West, especially Alberta, exhibit lower proportions of seasonal claimants. The proportion of seasonal claimants increased slightly in most provinces and territories from 2009/10 to 2010/11.

TABLE 5
Seasonal Claims as a Percentage of Regular Claims, by Province and Territory, 2009/10 and 2010/11

Province or Territory	2009/10	2010/11
Newfoundland and Labrador	50.6	51.8
Prince Edward Island	49.4	51.5
New Brunswick	46.2	46.8
Nova Scotia	39.0	38.8
Quebec	33.6	34.1
Yukon	26.1	29.2
Saskatchewan	25.4	25.9
Manitoba	23.6	22.9
Ontario	17.5	19.1
Northwest Territories	12.8	16.4
British Columbia	15.0	14.8
Alberta	7.9	9.2
Nunavut	10.5	6.1
Canada	25.8	27.3

2. Work-Sharing Benefits

2.1 Work-Sharing Agreements

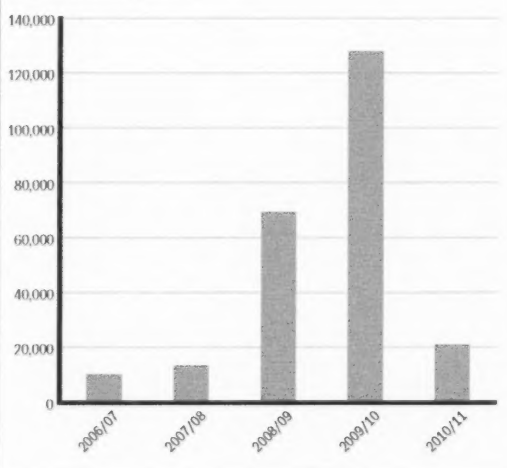
There were 1,379 Work-Sharing agreements that commenced in 2010/11. This represented a decrease of 82.1% from the 7,717 agreements that commenced during the previous year.

Until the late-2000s recession, the number of Work-Sharing agreements had remained relatively low. While there were only 433 Work-Sharing agreements in 2007/08, this number increased to 2,305 in 2008/09 and to 7,717 in 2009/10, as Work-Sharing agreements played an important role in helping employers and workers avoid temporary layoffs during the late-2000s recession. For a more detailed analysis of Work-Sharing agreements, please refer to Chapter 6.

2.2 Work-Sharing Claims

In 2010/11, there were 21,080 new Work-Sharing claims established. Similar to the decline in Work-Sharing agreements, the number of new Work-Sharing claims declined by 83.5% from 2009/10, when 127,880 claims were established.

CHART 7
Work-Sharing Claims



[25] Seasonal claimants are frequent regular benefit claimants who started previous claims at about the same time of year as the current claim. Frequent claimants are individuals who have had three or more active claims in the five years before the current claim.

As shown in Chart 7, the number of Work-Sharing claims multiplied sharply (+850.8%) between 2007/08, before the late-2000s recession, and 2009/10, when the full impact of the late-2000s recession was felt. The large increases in the number of Work-Sharing claims in 2008/09 (+415.8%) and 2009/10 (+84.3%) indicate that many employers established a greater number of Work-Sharing agreements due to uncertainties during the recession. Beyond the normal increase in the usage of the Work-Sharing program during a recession, the temporary changes to the Work-Sharing program introduced as part of Canada's Economic Action Plan—specifically, the easing of the eligibility criteria for employers, the simplification of the recovery plans that are required as part of a Work-Sharing agreement and the easing of administrative burdens—also contributed to the significant increases in the number of Work-Sharing claims over that period. The number of Work-Sharing claims began climbing in the third quarter of 2008/09 and peaked in the first quarter of 2009/10, with 67,200 claims during the quarter, before starting to decline in subsequent quarters.

2.3 Work-Sharing Benefits Paid

Work-Sharing benefit payments had shown a substantial increase during the late-2000s recession. However, in 2010/11, total Work-Sharing benefits paid decreased by 66.6% to $98.3 million, down from $294.7 million in 2009/10. The benefits paid in 2010/11 still represented a significant increase over the amount of benefits paid in 2008/09 ($56.4 million) and 2007/08 ($14.5 million). The significant amount of Work-Sharing benefits paid over the past three years ($449.4 million) is explained by the higher volume of claims, as explained earlier, coupled with the temporary increases in the maximum duration of Work-Sharing agreements that was introduced as part of Canada's Economic Action Plan.

The amount of Work-Sharing benefits paid in each of the four quarters in 2010/11 was significantly lower compared with the corresponding quarters in 2009/10. The decreases through the four quarters in 2010/11 were in contrast to 2009/10, when Work-Sharing benefits paid increased significantly in every quarter when compared with the corresponding quarters of 2008/09.

Work-Sharing Benefits[26] and the Economic Action Plan

As of March 31, 2011, $284.9 million in additional benefits were paid due to the temporary changes to the Work-Sharing program, including $206.3 million in 2009/10 and $78.6 million in 2010/11. Due to the relaxed eligibility requirements, it is not feasible to identify the number of additional claimants who benefited from the temporary changes to the Work-Sharing program.

2.4 Work-Sharing Claims, by Province

In 2010/11, the number of new Work-Sharing claims fell in every province. Previously, the number of new Work-Sharing claims had risen in every province in 2009/10 and in eight provinces in 2008/09. While Newfoundland and Labrador and Prince Edward Island showed decreases during 2008/09, the two provinces had a fairly low usage of Work-Sharing agreements and claims during these two years.

Quebec and Ontario continued to account for the majority of total Work-Sharing claims (38.8% and 33.9%, respectively) in 2010/11. While Ontario's share of total Work-Sharing claims decreased from a peak of 53.6% in 2008/09, Quebec's share of Work-Sharing claims reached its highest level since 2006/07. Quebec was overrepresented in Work-Sharing claims compared with its national share of employees (23.4%) in 2010/11, whereas Ontario was underrepresented compared with its share of 38.9% of employees nationally.

British Columbia had 11.8% of total Work-Sharing claims in 2010/11 (10.2% in 2009/10), while Manitoba represented 8.3% of all Work-Sharing claims in 2010/11, representing a significant increase from its share (3.8%) in 2009/10. Alberta, which accounted for 9.7% of all Work-Sharing claims in 2009/10, saw its share decline to 4.5% in 2010/11.

[26] This analysis assumes that the temporary changes to the Work-Sharing program accounted for an estimated 80% of the total Work-Sharing benefits paid in 2010/11, and 70% of the total Work-Sharing benefits paid in 2009/10. This estimate was developed by projecting Work-Sharing expenditures based on the increases that occurred during previous recessions.

2.5 Work-Sharing Claims, by Industry

The manufacturing industry generally accounts for the vast majority of Work-Sharing claims. In 2010/11, the manufacturing industry accounted for 69.3% of all Work-Sharing claims, far greater than its national share of employees (11.5%). While this industry accounted for a large majority of total Work-Sharing claims established, this proportion represented a decline from 73.8% in 2009/10 and 81.3% in 2008/09. Prior to the recession, the manufacturing industry accounted for over 80% of all Work-Sharing claims.

The decline in the manufacturing industry's share of Work-Sharing claims, from 81.3% in 2008/09 to 69.3% in 2010/11, reflects a greater number of firms in other industries participating in Work-Sharing agreements in the midst of the late-2000s recession. There were significant increases in the national share of Work-Sharing claims in several industries during the years affected by the recession, including the trade; professional, scientific and technical services; and construction industries.

2.6 Work-Sharing Claims, by Gender and Age

The majority of Work-Sharing claims are made by men. In 2010/11, men made 72.8% of all Work-Sharing claims, similar to their share in previous years. Since men comprised exactly 50.0% of employees nationally in 2010/11, they were over represented in Work-Sharing claims compared with women. Both men and women saw a large decrease in Work-Sharing claims in 2010/11.

Claims by prime-aged workers aged 25 to 54 comprised the vast majority of Work-Sharing claims in 2010/11. Workers aged 25 to 44 made 44.8% of all Work-Sharing claims, while workers aged 45 to 54 accounted for 30.9% of all Work-Sharing claims. The shares of Work-Sharing claims made by prime-aged workers were, however, slightly lower than in the two previous fiscal years, which reflected their greater participation in Work-Sharing agreements during the recession.

While claims by core-aged workers aged 25 to 54 represented 75.7% of all Work-Sharing claims, their share of employment in 2010/11 was 68.3%, similar to previous years. This indicates that core-aged workers are overrepresented in Work-Sharing claims, compared with youth and older workers.

Work-Sharing claims by youth aged 15 to 24 accounted for 7.4% of all Work-Sharing claims in 2010/11, increasing from 5.5% in the previous fiscal year. Work-Sharing claims by older workers aged 55 and over comprised 16.9% of all Work-Sharing claims, increasing from 15.4% in 2009/10 and 14.8% in 2008/09. The share of Work-Sharing claims by older workers has increased in each of the past three years since the onset of the late-2000s recession.

2.7 Work-Sharing Claims, by EI History

A significant number of Work-Sharing claims were made by first-time claimants.[27] First-time claimants comprised 72.0% of Work-Sharing claims in 2010/11. During the years affected by the recession, this figure was 80% or higher. In contrast, for EI regular benefits, first-time claimants accounted for 33.6% of all regular claims.

The proportion of Work-Sharing claims made by occasional claimants[28] has increased during the past few years to 24.3% in 2010/11. Frequent claimants[29] made up the remaining 3.7% of Work-Sharing claims. Occasional and frequent claimants were underrepresented in Work-Sharing claims, as occasional and frequent claimants comprised 32.6% and 33.8% of regular benefit claims, respectively, in 2010/11.

3. Fishing Benefits

Fishing claims represent a significant part of the economy in many coastal communities. Fishing benefits are administered either directly or indirectly by three federal organizations: Human Resources and Skills Development Canada (HRSDC)/Service Canada, Fisheries and Oceans Canada (DFO) and the Canada Revenue Agency (CRA). DFO grants fishing licences; CRA determines who is eligible as a self-employed fisher; and HRSDC/Service Canada determine eligibility for and pay EI fishing benefits, which are based on insurable earnings rather than insurable hours.

[27] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim.
[28] Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim.
[29] Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

CHART 8

EI Fishing Claims

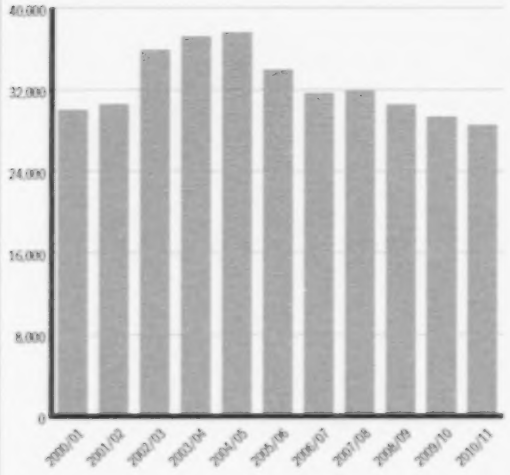
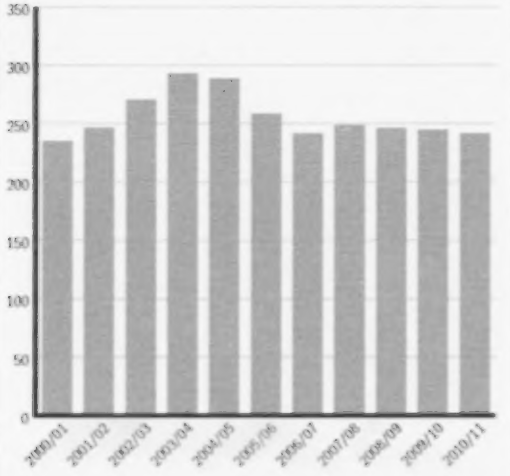


CHART 9

Fishing Benefits Paid



3.1 Fishing Claims

In 2010/11, the number of new fishing claims decreased by 2.6% to 28,533 new claims, from 29,298 in 2009/10. The number of new fishing claims also declined in 2009/10 (-4.0%) and in 2008/09 (-4.2%).

As illustrated in Chart 8, there has been a downward trend in the number of new fishing claims since 2004/05, when there were 37,631 new fishing claims.

3.2 Fishing Benefits Paid

In 2010/11, fishing benefits comprised 1.4% of total EI benefits paid, 0.1 percentage points higher than in the previous year. For the majority of self-employed fishers who reside in communities with limited employment opportunities, EI benefits are an important part of their annual income.

A total of $241.7 million in EI fishing benefits were paid in 2010/11, a 1.4% decrease from 2009/10 (see Chart 9). Among major fishing provinces, fishing benefit payments increased in British Columbia (+19.8%), Nova Scotia (+2.0%) and Manitoba (+1.2%) but decreased in Newfoundland and Labrador (-7.5%), New Brunswick (-5.1%) and Prince Edward Island (-3.3%).

In 2010/11, average weekly fishing benefits rose by 3.8% to $423. The average weekly benefit for fishers remained higher than that for regular benefits claimants ($371) and close to the maximum weekly benefit of $457 in the 2010 calendar year.

According to data compiled by DFO for the 2010 fishing year, revenues from commercial marine fisheries declined 5.4% to $1.61 billion in 2010 from $1.69 billion in 2009. This decrease is primarily a result of a drop in revenues for certain species, particularly high-end shellfish, such as lobster. The quantity of seafood harvested in 2010 also decreased, dropping by 2.2% to 940,000 metric tonnes from 961,000 metric tonnes in 2009.

3.3 Fishing Claims, by Province

The Atlantic region accounted for 79.2% of all fishing claims established in 2010/11. However, the number of new fishing claims declined in all four provinces in the region, with the sharpest decrease in Newfoundland and Labrador (-6.4%). New Brunswick (-3.1%) and Prince Edward Island (-2.9%) also showed decreases, while Nova Scotia showed a minimal decline (-0.1%).

Fishing claims in Newfoundland and Labrador represented 39.6% of all fishing claims in 2010/11, decreasing from 41.2% in 2009/10 and down

significantly from 44.4% in 2008/09. This reflects the general trend of a decreasing number of fishing claims in Newfoundland and Labrador, as the province has shown a 36.4% decrease in fishing claims since a recent peak in 2004/05.

Quebec showed a decrease of 5.6% in fishing claims in 2010/11, while fishing claims in Manitoba decreased by 3.7%. However, fishing claims in British Columbia rose sharply, increasing by 10.9% in 2010/11, after showing a 9.9% increase in 2009/10.

Fishing claims in British Columbia accounted for 11.5% of the national total, compared with 10.1% in the previous year. Despite the recent increase in the number of claims, fishing claims in this province have dropped significantly (-25.2%) since a peak in 2003/04. One possible contributing factor is the structural shift in the industry toward the conservation of resources. This development has affected some fisheries by occasionally reducing catch volumes and sometimes even forcing seasonal closures.

3.4 Fishing Claims, by Gender and Age

In 2010/11, the number of fishing claims established by men decreased by 2.5% and those established by women dropped by 3.1%. The proportion of claims made by men remained similar to the previous year, at 83.0%.

Core-aged fishers (those aged 25 to 54) accounted for 65.4% of all new fishing claims, a decline from 67.1% in the previous year, as they established 5.0% fewer claims in 2010/11. While the number of new fishing claims registered by youth (aged 15 to 24) decreased by 3.9% in 2010/11, their share of all new fishing claims remained stable at 4.3%. In fact, older workers (aged 55 and above) were the only age cohort with an overall increase in fishing claims, making 3.2% more claims than they did in 2009/10. Their share of fishing claims has increased consistently throughout the past several years, from 28.6% in 2008/09 to 30.3% in 2010/11, which points to the aging of the fishing industry workforce.

3.5 Fishing Claims, by EI History

Frequent claimants[30] established the vast majority of fishing claims (89.4%) in 2010/11. However, the number of fishing claims made by frequent claimants decreased (-4.0%) in 2010/11, while fishing claims made by first-time[31] claimants (+10.6%) and occasional claimants[32] (+11.3%) increased. As a result, the proportion of fishing claims made by frequent claimants dropped to 89.4% from 90.7% in 2009/10 and 91.5% in 2008/09, which was the highest proportion recorded in the past decade. At the same time, the share of new fishing claims from first-time claimants increased from 2.4% in 2008/09, which was its lowest level during the past decade, to 3.1% in 2010/11. The proportion of fishing claims from occasional claimants increased from 6.1% in 2008/09, which was also its lowest level during the past decade, to 7.5% in 2010/11.

III. SUPPORTING WORKING CANADIANS AND THEIR FAMILIES

1. Overview

The recent turbulence in the economy has had a minimal impact on the number of claims and benefits paid for EI special benefits. In 2010/11, there were 499,270 new special benefits claims[33] in Canada, which represented a 2.2% decrease from 2009/10, and followed a 0.8% decrease from 2008/09 to 2009/10.

Total special benefits paid fell by 0.7% to $4.18 billion in 2010/11, from $4.21 billion in 2009/10.[34] This decrease followed an increase of 6.7% in 2009/10. The decrease in special benefits paid in 2010/11 reflects two consecutive yearly decreases in the number of new EI special claims.

Women generally account for a large proportion of special benefits claims and continued to do so in 2010/11, accounting for 67.8% of total special claims during the fiscal year, while receiving 83.7% of special benefits paid.

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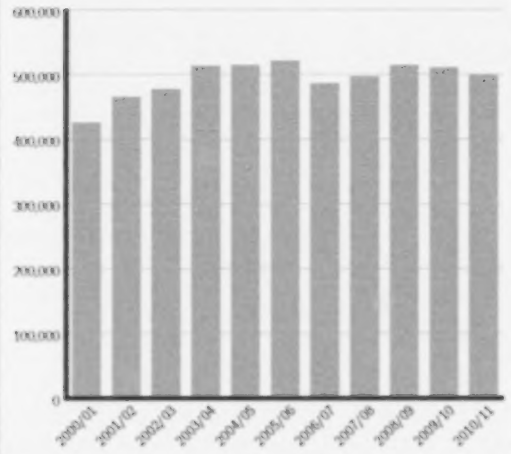
[30] Frequent claimants are defined as individuals who have had three or more active claims in the five years prior to their current claim.
[31] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim.
[32] Occasional claimants are defined as individuals who have had fewer than three active claims in the five years prior to their current claim.
[33] Special benefits claims include 280 special claims for self-employed individuals.
[34] Special benefits payments include $0.74 million in special benefits paid to self-employed individuals.

CHART 10
EI Special Claims



As of January 31, 2010, EI special benefits, including maternity, parental, sickness and compassionate care benefits, were extended to self-employed people, who could opt into the EI program for the first time. Benefits were payable as of January 1, 2011. Between the introduction of the measure and March 31, 2011, a total of 7,114 self-employed individuals opted into the program. For a more detailed analysis of these individuals, please see Chapter 6.

From January 2011, when self-employed persons were first eligible to claim special benefits, to March 31, 2011, self-employed workers made a total of 280 claims and received $0.74 million in special benefits payments.

It should be noted that the following sections do not include data for maternity and parental benefits in Quebec, for either employees or for self-employed individuals, as these benefits are offered under the Quebec Parental Insurance Plan (QPIP). Data for sickness and compassionate care benefits for Quebec are included in their respective sections.

2. Maternity Benefits

In 2010/11, there were 168,620 maternity claims, a 2.5% decrease from the previous year. Maternity benefit payments decreased by 0.4% to $921.4 million in 2010/11. The average weekly benefit for maternity benefits continued to rise in 2010/11, reaching $371 (+2.8%), up from $361 in 2009/10 and $350 in 2008/09. From January 1 to March 31, 2011, self-employed women made 190 maternity claims. This accounted for $0.54 million in maternity benefits payments paid between January 1 and March 31, 2011.[35]

In general, the vast majority of maternity claims were made by women aged 25 to 44 who accounted for 87.2% of all maternity claims in 2010/11. Another significant share of maternity claims were made by women under 25, as they comprised 12.7% of maternity claims during the fiscal year. This was, however, a decline from their share (13.4%) in 2009/10, as women under 25 witnessed an 8.0% decline in maternity claims.

Maternity claims decreased in most provinces, showing the sharpest decreases in Newfoundland and Labrador (-14.4%), Saskatchewan (-5.1%) and Ontario (-3.1%). Two provinces saw increases in the number of maternity claims: Nova Scotia (+5.4%) and Manitoba (+1.0%).

3. Parental Benefits

In 2010/11, the number of parental claims made by biological parents decreased by 2.0% to 188,250.[36] Parental benefits payments for biological parents fell slightly, by 0.6%, to $2.16 billion. The average weekly parental benefit rose by 3.0% to $381 in 2010/11, compared with $371 in the previous year. From January 1 to March 31, 2011, self-employed individuals made 212 biological parental claims. In total, self-employed individuals received $0.17 million in biological parental benefits payments.[37] There were no adoptive parental claims made by self-employed individuals during this time period.

[35] As maternity claims may last up to 15 weeks and many claimants will continue to collect benefits beyond March 31, 2011, the $0.54 million in benefits paid does not represent the entire entitlement for these 190 maternity claims.

[36] Parental claims and benefits paid include 212 parental claims and $0.17 million in benefits paid to self-employed individuals.

[37] As parental claims may last up to 35 weeks and many claimants will continue to collect benefits beyond March 31, 2011, the $0.17 million in benefits paid does not represent the entire entitlement for these 220 parental claims.

As in previous years, women comprised the vast majority (86.0%) of the 161,900 biological parental claims in 2010/11. This represents a slight decline from their share (86.7%) in 2009/10. Women made fewer claims (-2.8%) than they did in 2009/10, while men made more claims (+3.0%). The increase in biological parental claims made by men, which occurred despite decreases in both maternity and parental claims for women, signalled that more couples are sharing parental benefits. A further discussion of shared parental benefits can be found in Chapter 6.

Historically, the large majority of biological parental claims come from women aged 25 to 44, and they continued to form a large majority in 2010/11, accounting for 75.3% of all biological parental claims. Men aged 25 to 44 accounted for 12.7% of all biological parental claims in 2010/11. A significant share of parental claims also came from men and women under 25, comprising 11.3% of biological parental claims during the fiscal year.

Five provinces saw a decline in the number of biological parental claims in 2010/11 compared with the previous year, with the sharpest decreases in Newfoundland and Labrador (-17.6%) and Ontario (-3.6%). However, four provinces showed an increase, with Nova Scotia (+4.7%) and Prince Edward Island (+3.9%) showing the largest increases.

Similar to the number of parental claims for biological parents, the number of adoptive parental claims also decreased in 2010/11 to 1,540 (-24.1%). Benefit payments for adoptive parental claims fell by 23.3% to $19.2 million in 2010/11, reflecting the drop in the number of claims established. The average weekly benefit for adoptive parental claims rose by 1.6% to $429 in 2010/11.

Among the 168,620 maternity claims made by women in 2010/11, the majority (160,410 or 95.1%) of the claims were followed by biological parental claims. In addition, nearly all (99.1%) biological parental claims by women were preceded by maternity claims. Among the 161,900 biological parental claims by female biological parents, 160,410 of these claimants had previously received maternity benefits.

4. Sickness Benefits

In 2010/11, the number of new sickness claims decreased by 2.1%, to 321,100. Sickness benefits payments fell slightly, by 0.9%, to $1.07 billion.[38] The average weekly sickness benefit rose by 2.5% to $342 in 2010/11, compared with $334 in the previous year.

Among sickness claims, 58.5% were made by women, which was similar to the proportion in previous years. The number of sickness claims decreased for both men (-2.3%) and women (-2.0%).

The 55 and older group was the only age group to show an increase in sickness claims (+1.2%) in 2010/11, reflecting the continued increase in employment for workers in this age group due to the aging population in Canada. Claims from those aged 25 to 44 (-3.1%) and those aged 45 to 54 (-3.1%) showed a decrease in 2010/11.

Six provinces saw a decline in the number of sickness claims in 2010/11, with the sharpest decreases in British Columbia (-4.1%) and Manitoba (-3.7%). However, three provinces showed an increase, with Prince Edward Island (+4.1%) and Nova Scotia (+2.5%) showing the fastest increases.

The increases in sickness claims in Prince Edward Island and Nova Scotia reflect the labour force characteristics of the two provinces. These provinces had some of the highest proportions of older workers compared with their share of provincial employment. Older workers comprised 19.9% of provincial employment in Prince Edward Island, the highest proportion in Canada. Older workers comprised 19.3% of provincial employment in Nova Scotia in 2010/11, compared with the national figure of 17.4%. From January 1 to March 31, 2011, self-employed individuals made 41 sickness claims and $30,000 in sickness benefits were paid.[39]

[38] Sickness claims and benefits paid include 41 sickness claims and $30,000 in benefits paid to self-employed individuals.

[39] As sickness claims may last up to 15 weeks and many claimants will continue to collect benefits beyond March 31, 2011, the $30,000 in benefits paid does not represent the entire entitlement for these 41 sickness claims.

5. Compassionate Care Benefits

In 2010/11, there were 6,027 claims for compassionate care benefits, a 0.8% increase over 2009/10. Compassionate care benefits payments amounted to $11.0 million in 2010/11, a 4.7% increase from 2009/10. The average weekly benefit for compassionate care benefits increased slightly to $364 (+2.5%). From January 1 to March 31, 2011, there were no compassionate care claims made by self-employed individuals.

Among compassionate care claims, 73.9% were made by women. The number of compassionate care claims made by women increased (+1.6%), while the number made by men declined (-1.2%). Compassionate care benefits can also be shared among family members, and the analysis of shared compassionate care benefits can be found in Chapter 6. Claims made by those aged 55 and older increased significantly (+7.3%) in 2010/11, while those made by people aged 45 to 54 also showed an increase (+1.2%).

CHAPTER 4

EMPLOYMENT BENEFITS AND SUPPORT MEASURES AND THE NATIONAL EMPLOYMENT SERVICE

Activities delivered under Part II of the Employment Insurance Act *help Canadians to prepare for, find and maintain employment. These activities include Employment Benefits and Support Measures (EBSMs), pan-Canadian programming and functions of the National Employment Service (NES).*

This chapter provides information on the programming delivered under Part II of the *Employment Insurance (EI) Act* during 2010/11. Section I provides a national overview of EBSM-similar programs and services delivered by provincial and territorial governments under the Labour Market Development Agreements (LMDAs) with Canada.[1]

Section II summarizes individual provincial and territorial employment programming activity in the context of each jurisdiction's labour market conditions and employment priorities. Section III focuses on HRSDC's delivery of pan-Canadian activities that are not included in the LMDAs and the administration of certain NES functions.

Note to Reader

- Throughout this chapter, the 2007/08 fiscal year is used as the reference period for pre-recession comparisons.
- The number of insured EBSM clients is the sum of active and former clients.
- Statistics Canada's Labour Force Survey is the source of labour market data reported herein.[2]

[1] The data used to analyze EBSM activities were collected by Service Canada from provinces and territories. Accordingly, the data were processed through several systems using a variety of sources. Governments continue to improve data quality and collection to ensure accurate, reliable and consistent information. While all data sets are verified before publication, systems and operational changes may affect the comparability of data from year to year. These instances are noted, where applicable.

[2] Data for Canada and the provinces are fiscal-year averages, calculated using unadjusted data, while monthly references are seasonally adjusted. Data for the Northwest Territories, Yukon and Nunavut are calculated using four points of three-month moving average data. In discussions of employment trends by industry, standard industry titles are taken from the North American Industry Classification System (NAICS).

I. NATIONAL OVERVIEW

CANADA
Key Facts

Labour Market

15+ Years	2010/11	Change, 2009/10–2010/11
Employment	17,121,300	293,700 ↓
Unemployment Rate	7.9%	0.4 ↑

Client Type and Age[1] Distribution

Active	Former	Non-Insured
49.2% ↓	15.1% ↑	35.6% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
19.3% ↑	69.9% ↓	9.5% ↑

Intervention-to-Client Ratio

Ratio, 2010/11	Change, 2009/10–2010/11
1.55	0.09 ↓

Interventions and Expenditures % Change, 2009/10–2010/11

	Employment Benefits	Employment Assistance Services (EAS)
New Interventions	12.3 ↓	6.6 ↓
Expenditures	11.0 ↓	26.0 ↑

Employment Benefits and Support Measures: EAS Change in Relative Share

	Relative Share, 2010/11	Percentage Point Change, 2009/10–2010/11
Employment Benefits	16.8	0.9 ↓
EAS	83.2	0.9 ↑

Clients Served, 2010/11

EI	Non-Insured	Pan-Canadian
486,696* ↓	269,350 ↓	13,139 ↓

*Includes Career Transition Assistance clients.

Allocation ($ Million)

LMDAs	EAP	Total
1,950.0	500.0	2,450.0

[1] Age distribution does not equal 100% because the "unknown" category is not reported in this distribution. Date of birth is not collected for clients in SD-Apprentices and Group Services.

2010/11 was the second year of Canada's Economic Action Plan (EAP), which saw the Government of Canada invest $1 billion over two fiscal years to provide additional employment programming support to individuals affected by the global economic downturn. In 2009/10, this support resulted in extraordinary increases in EBSM-similar activity across the country. By 2010/11, regional labour markets had begun to show signs of improvement, and job-ready individuals opted to return to employment rather than participate in EBSM-similar programming. At the same time, clients with fewer employable skills and less experience continued to have difficulty finding employment and turned to the provinces and territories for employment assistance. As a result, the number of former clients surged across the country. Generally, former clients require a greater investment in Part II funds, since they do not receive income support from EI Part I. Consequently, while clients served and interventions declined in most jurisdictions, expenditures per client were generally higher on a year-over-year basis.

In 2010/11, provinces and territories delivered 1,175,519 EBSM interventions to 756,046 clients to assist them in preparing for, obtaining and maintaining employment. As labour market conditions began to improve during the second year of Canada's Economic Action Plan, the number of clients served fell 2.7%. The decline in new interventions was more pronounced at 7.9%. Even so, clients and interventions were substantially higher than pre-recession levels in most jurisdictions.

1. Labour Market Conditions and the Economy

In 2010/11, the Canadian labour market was still recovering from the 2008/09 global recession. More than two thirds of the total employment gains (293,700) in 2010/11 were concentrated in full-time employment; the remaining gains were in part-time work. By January 2011, all of the employment lost during the recession had been recovered, and an additional 53,000 were employed by March 2011.[3] While the unemployment rate decreased slightly year over year—falling from 8.3% in 2009/10 to 7.9%—it remained 1.9 percentage points higher than pre-recession levels.

[3] Economic and Financial Market Outlook, Royal Bank of Canada, June 2011. **http://www.rbc.com/economics/market/pdf/fcst.pdf**.

2. Canada's Economic Action Plan

To support Canadian workers affected by the recession, the first phase of Canada's EAP took immediate and decisive action to protect jobs. The Government of Canada maintained a focus on the economy of the future by contributing to the development of a skilled, flexible and knowledgeable workforce.[4]

2.1 Additional Investment

In response to the 2008/09 recession, the Government of Canada invested a total of $1.0 billion over two years—2009/10 and 2010/11—in the delivery of EI Part II programming through Canada's EAP. This investment represented 20.4% of total funding each year.[5]

The EAP funding enabled provinces and territories to provide significant additional support to unemployed individuals during difficult economic times. While the peak in EBSM-similar interventions occurred in the first year of EAP funding, participation in the second year remained higher than pre-recession levels in most jurisdictions.

2.2 Final Results

Over the two years of EAP funding, a total of 1.5 million unemployed individuals participated in 2.5 million EBSM interventions. Compared to pre-recession levels, this represents an average increase of 25.1% in clients and a 27.5% increase in interventions.

2.3 Career Transition Assistance

Introduced under the EAP, the Career Transition Assistance (CTA) initiative provided increased support to participants by extending EI regular benefits and delivering longer-term training interventions. A total of 10,275 unemployed individuals participated in the CTA initiative from 2009/10 to 2010/11.[6]

3. Key Performance Indicators[7]

HRSDC monitors the results of the EBSMs delivered by the provinces and territories through three key performance indicators:

- the number of active EI claimants served;
- the number of EI clients who returned to employment following an intervention; and,
- the amount of unpaid EI Part I benefits due to returns to employment.

The number of active EI claimants served increased by an average of 161,202 to a total of 835,498 over the two years of EAP funding. This represented a 23.9% increase compared to pre-recession levels. However, in 2010/11, the number of active EI claimants served fell 19.6% to 372,340, which reflected improved labour market conditions in many jurisdictions. Stronger conditions also had an impact on the number of EI clients who returned to employment. A total of 243,476 clients returned to employment in 2010/11, up 23.9% from pre-recession levels. In addition, the proportion of clients returning to work increased by 10.9 percentage points to 51.4%.

Total unpaid benefits—which represent savings to the EI account—decreased for the first time in five years, dropping 7.1% from a high of $1.54 billion in 2009/10 to $1.43 billion. This decline is in part attributed to a decrease in the share of active clients in 2010/11 and an increase in the share of former clients (see Section 4 below). Active clients generate unpaid benefits while former clients do not. The change in the mix of clients contributed to this year-over-year decrease in unpaid benefits. The drop in unpaid benefits also follows a 45.8% increase in unpaid benefits in 2009/10, which was attributed to the increase in total clients served—particularly active clients—the extension of regular EI benefits during the recession, and the increase in the share of active clients served under Part II.

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[4] Canada's Economic Action Plan – What has been done? **http://www.actionplan.gc.ca/eng/feature.asp?featureId=4**

[5] The 2009 Federal Budget, **http://www.budget.gc.ca/2009/plan/bpc3a-eng.html**.

[6] Please see Chapters 3 and 6 for detailed information on the CTA initiative.

[7] Please note that data issues have been observed in newly implemented information management systems in a few recently devolved jurisdictions that could impact year-over-year comparisons at the national level. See Annex 4.1 for the implementation dates.

4. Client Profile and Participation

Three types of clients participate in EBSMs: active claimants, former claimants and non-insured clients. In 2010/11, there was a significant shift in the distribution of client types, which reflected a greater demand for support from former claimants and non-insured clients. The share of active claimants reached a record low of 49.2%, compared to 59.6% in 2009/10. This reduction in active clients is consistent with the trend of a decrease in participation observed in regular Part I claimants. Moreover, active claimants generally have more recent and/or stronger labour force attachment than the other two client types. This enables active claimants to opt for a quick return to the labour market once conditions begin to improve, rather than choosing or needing to participate in EBSMs.

4.1 Active Claimants

During the 2010/11 reporting period, the share of active claimants fell by over 10 percentage points to 49.2% of all clients. A total of 372,340 active claimants accessed EBSMs, a 19.6% decrease year over year, which, as noted above, reflects strengthening labour market conditions.

4.2 Former Claimants

The number of former claimants rose 8.9% to 114,356 as claimants from the first year of the recession began to exhaust their entitlement to regular EI benefits. This was the third consecutive annual increase for this client group, which has expanded 28.0% since 2007/08. At 15.1% of all clients served, this client segment reached a historic peak in 2010/11. Since former clients are fully supported by EI Part II, EBSM-similar expenditures increase disproportionately with their level of participation.

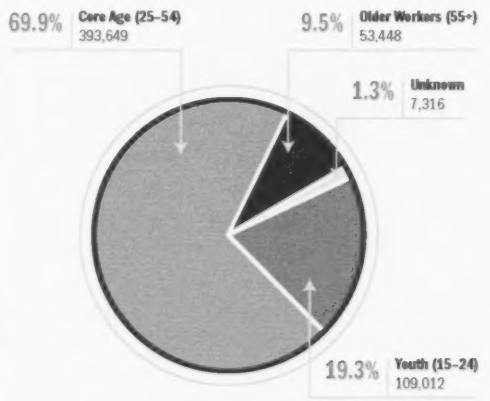
4.3 Non-Insured Clients

As jurisdictions reached out to provide services to all unemployed individuals, the number of non-insured clients accessing EBSMs surged 28.9% year over year, reaching 269,350 in 2010/11. Non-insured clients' share of all clients rose from 26.9% in 2009/10 to 35.6%.

4.4 Age Distribution[8]

In 2010/11, about 70% of clients were in the core age group while about 30% were older workers and youth. Year over year there were significant decreases in each age category. However, compared with pre-recession levels client volumes were higher for each age group. Older workers led with a 33.1% increase, followed by youth (+15.9%) and core age clients (+5.9%).

CHART 1
Age Distribution, 2010/11



[8] Date of birth is not collected for clients in Skills Development–Apprentices and Group Services. As a result, client data in Chart 1 do not match the client total in Annex 3.5.

5. Diversity Analysis

To ensure equity principles are observed in the delivery of EBSM programming, HRSDC monitors the participation of women, persons with disabilities, Aboriginal people and members of visible minority groups.[9]

Women	In 2010/11, women participated in 526,110 interventions. While women's participation in EBSMs declined slightly over the past five years, their participation rate in 2010/11 (46.8%) was greater than their representation among the unemployed (43.5%).[10] Overall, EAP funding allowed provinces and territories to provide, on average, an additional 109,473 interventions to women over two years compared to pre-recession levels.
Persons with Disabilities	Persons with disabilities participated in 64,822 EBSM interventions in 2010/11, 10.6% more than in 2009/10. Additionally, the share of persons with disabilities in EBSMs increased from 4.8% to 5.8% year over year. The Government of Canada also supports persons with disabilities through the Labour Market Agreements for Persons with Disabilities (LMAPDs) and the Opportunities Fund for Persons with Disabilities (OF). Approximately $218 million is transferred to provinces through the LMAPDs for programs and services that assist over 300,000 clients each year. The OF targets individuals who have little or no labour market attachment and do not qualify for programs under EI Part II. In 2010/11, 5,632 persons with disabilities benefited from OF programs at a cost of $30 million.
Aboriginal People	Aboriginal Canadians receive employment support through EBSMs and Aboriginal labour market programming. Under EBSMs delivered by provinces and territories, Aboriginal people participated in 66,287 interventions in 2010/11, a 5.4% decline compared to 2009/10. To serve the emerging needs of Canada's Aboriginal population, the Aboriginal Human Resources Development Strategy (AHRDS) was replaced by the Aboriginal Skills and Employment Training Strategy (ASETS). HRSDC successfully implemented this cross-sectoral approach to Aboriginal labour market programming in 2010/11. ASETS links training to labour market demand and establishes ways for Aboriginal people to fully participate in economic opportunities. Through the ASETS, approximately 49,000 individuals were supported in 2010/11, and more than 14,000 individuals returned to employment. ASETS expenditures totalled $91.9 million, which represented 53.3% of total pan-Canadian expenditures.[11]
Members of Visible Minority Groups	In 2010/11, the number of interventions delivered to members of visible minority groups rose 23.8% to 71,660. The proportion of visible minority group members increased from 4.7% in 2009/10 to 6.4% in 2010/11.

[9] This information is collected from participants who voluntarily self-identify and is derived from the participant dataset. Therefore, year-over-year fluctuations may be attributed in some degree to changes in the rate of self-identification. Since an individual client can participate in multiple interventions, the number of interventions delivered is always greater than the number of clients served. Note that the number of participants always equals the number of interventions.

[10] References to the representation of women in the labour force were calculated using 2009/10 seasonally unadjusted annual averages based on a fiscal year starting in April. Source: Statistics Canada, Labour Force Survey Products and Services, Table-087 (Ottawa: Statistics Canada, ongoing), in Cat. No. 71-544-XIE.

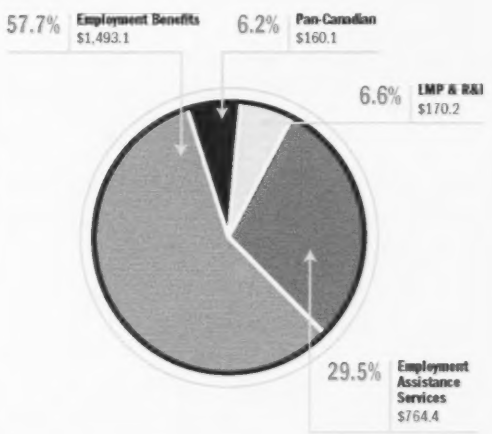
[11] Please refer to Section III of this chapter for additional details.

6. Expenditures

For the past two years, EAP funding of $500 million per year augmented regular LMDA funding for a total of $2.45 billion in each year to support EBSM-similar programming. The increased investment resulted in higher Part II expenditures over the two years for Employment Benefits ($678.0 million), EAS ($269.6 million), and Labour Market Partnerships and Research & Innovation ($48.0 million).[12]

CHART 2

EBSM Expenditures, 2010/11 ($ Millions)



Almost two thirds of the total average expenditures over the past two years funded Employment Benefits for unemployed individuals in Canada, reflecting an increased emphasis on developing a skilled workforce.

7. Employment Benefits[13]

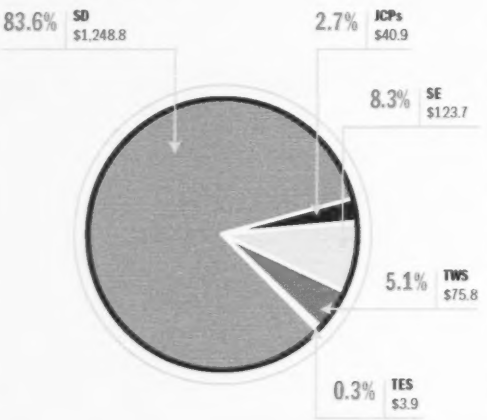
Employment Benefits generally involve longer term interventions that can last from several weeks to a year or more. Employment Benefits comprise Skills Development-Regular (SD-R), Skills Development-Apprentices (SD-A), Targeted Wage Subsidies (TWS), Self-Employment (SE), Job Creation Partnerships (JCPs) and Targeted Earnings Supplements (TES).[14]

Employment Benefits expenditures fell 11.0% year over year to $1.49 billion, reflecting stronger labour markets and a focus on quicker returns to work.

Despite this significant decline, expenditures for Employment Benefits were 19.8% higher than pre-recession levels. A total of 194,471 Employment Benefits interventions were delivered in 2010/11, 7.1% more than in 2007/08. Employment Benefits' share of total interventions has declined slightly in each of the last four years, and accounted for 16.8% of all EBSM interventions delivered in 2010/11.

CHART 3

Employment Benefits Expenditures by Intervention, 2010/11 ($ Millions)



Over the past two EAP years, the average number of Employment Benefit interventions rose by 53,266 (+14.7%) compared with pre-recession levels. SD-Regular led the relative gains with a 27.6% increase, followed by SD-Apprentices (+9.8%) and SE (+3.6%). Decreases were observed in TWS (-10.4%), JCPs (-6.7%) and TES (-6.0%).

7.1 Skills Development

Traditionally, SD accounts for the largest proportion of Employment Benefit interventions and expenditures. The share of SD remained the largest in 2010/11 despite a slight decline from 83.1% to 81.6% of all benefit interventions. In 2010/11, SD expenditures fell 8.9% to $1.25 billion. Even so, SD's share of all Employment Benefits expenditures increased slightly from 81.7% in 2009/10 to 83.6%.

[12] See Section III of this chapter for a detailed description of pan-Canadian activities under EI Part II.

[13] Interventions under Quebec's Return to Work Supplement are now recorded in Employment Benefits, which affects year-over-year comparisons.

[14] The corresponding names of EBSM-similar programming are included in the provincial and territorial summaries in Section II.

The number of SD-Regular interventions decreased 18.9% to 94,650, and the number of SD-Apprentices interventions fell 5.2% to 64,047. Despite these declines, provinces and territories delivered an average of 20.1% more SD interventions in 2009/10 and 2010/11 compared with pre-recession levels.

EBSMs in Action: SD

In Alberta, Women Building Futures provides women with extensive skill, safety and cultural training to succeed in trades and related industrial careers. This program has strong links to major industrial employers in Western Canada, who consistently employ its graduates.

Many clients started their SD intervention in the first EAP year and continued on into the second year.[15] As of March 31, 2011, clients participating in the CTA initiative accounted for 10,275 interventions since its introduction in 2009/10. Some clients remained eligible to receive benefits until May 2012.

7.2 Targeted Wage Subsidies

In 2010/11, TWS expenditures fell 22.4% to $75.8 million as many provinces and territories shifted investments to support quicker returns to work. The number of TWS interventions delivered in 2010/11 was also lower, down 22.2% to 12,451, which was an eight-year low. TWS' share of all Employment Benefits interventions also followed this downward trend, dropping from 7.2% to 6.4% year over year.

7.3 Self-Employment

Participation in SE increased significantly in 2010/11, climbing to a five-year high of 11,485 (+20.2%). SE interventions represented 5.9% of all Employment Benefits interventions in 2010/11, up from 4.3% in 2009/10. At the same time, SE expenditures fell 16.1% to $123.7 million.

EBSMs in Action: SE

In Quebec, participants in Self-Employment can receive assistance from the *Service d'aide aux jeunes entreprises du Montréal Centre* (SAJE Montréal Centre), a management consulting firm that specializes in promoting, stimulating and supporting the start-up and expansion of small and medium-size enterprises (SMEs).

In the Beaufort Delta Region of NWT, a participant of Building Essential Skills-Apprenticeship/Self-Employment Option became a Red Seal-certified Automotive Service Technician and a certified Heavy Duty Equipment Technician. The client later applied for assistance through the Self-Employment Option and received the coaching and support he needed to open an automotive repair shop.

7.4 Job Creation Partnerships

JCPs' expenditures fell 30.4% to $40.9 million in 2010/11. As a result, a total of 3,998 individuals participated in 4,279 interventions, an 18.9% decline year over year. Since 2003/04, the number of JCP interventions has declined 58.2%. JCPs' share of total benefit interventions also declined for seven consecutive years falling from 5.6% in 2003/04 to 2.2% in 2010/11.

EBSMs in Action: JCPs

In Newfoundland and Labrador, the Project Restoration Dalton Council Committee helped 10 individuals in Harbour Grace gain valuable work experience as they made repairs to the Church of the Immaculate Conception–a building that was designated a Provincial Historic Site in 1991. Stonemasons, labourers, and helpers assisted in the completion of four stone buttresses, entrance repairs, improvement to the eaves and roof and inside carpentry work to the choir area.

In British Columbia, investments in three projects helped unemployed resource workers in the Cariboo region return to work. Funding through the Community Adjustment Fund and the Job Opportunities Program supported improvements at three heritage sites, with 21 workers in the region gaining short-term job experience.

[15] It should be noted that the figures for Skills Development may understate the number of clients in training because each intervention is recorded only in the year it began.

JCPs had been particularly useful for addressing breaks in employment in rural areas hard hit by the recent recession.

7.5 Targeted Earnings Supplements

TES-similar programming is offered by the province of Quebec through its Return to Work Supplement employment benefit. The Return to Work Supplement provides financial assistance to participants for expenses related to returning to work, including the costs of new tools, office supplies and clothing. The Supplement supported 7,559 participants in 2010/11, a 12.6% increase year over year. Quebec's total expenditure for this benefit rose 21.3% to $3.9 million in 2010/11.

8. Support Measures

The Support Measures authorized by Part II of the *Employment Insurance Act* comprise Employment Assistance Services (EAS), Labour Market Partnerships (LMPs), and Research and Innovation (R&I). Through LMDAs, the provinces and territories are responsible for delivering these measures at the regional and local levels, while HRSDC retains responsibility for pan-Canadian delivery (see Section III). Support Measures are available to all unemployed individuals in Canada including the non-insured participants while Employment Benefits are only available to insured clients.

8.1 Employment Assistance Services

To assist all unemployed individuals, regardless of EI eligibility, provinces and territories design and deliver services similar to EAS. These interventions are usually reported in one of three categories: Employment Services, Group Services and Individual Counselling.

A total of 965,082 EAS interventions were delivered by provinces and territories in 2010/11, which was an increase of 26.9% compared with pre-recession levels. Total EAS expenditures rose at a similar rate, climbing to $764.4 million (+26.0%). The substantial increase in EAS reflects a greater emphasis on helping clients return to work more quickly to take advantage of increased employment opportunities as the economy began to improve. Non-insured clients, in particular, benefited from these services.

EBSMs in Action: EAS

Ontario launched Employment Services, its new model for employment and training services. Ontario's Employment Services offers a one-stop location for services including: job searching; job matching, placement and incentives; job and training retention support; information and referral services; and client service planning and coordination. Employment Services also provides access and referrals to other Employment Ontario programs and services.

In Alberta, *Accès Emplois* is an employment service for Francophones and Francophiles and serves any French-speaking client, including Albertan Francophones and recent arrivals from Eastern Canada and abroad. *Accès Emplois* provides support and placements for Francophone job seekers in the Edmonton Region.

8.1.1 Employment Services

Provinces and territories delivered 610,206 Employment Services interventions in 2010/11, 2.0% lower than the previous year yet still 37.2% higher than pre-recession levels. Employment Services accounted for 63.2% of all EAS interventions, representing a 3.0 percentage points increase in share year over year.

8.1.2 Group Services

At 51,419, the number of Group Services interventions increased 8.7% year over year, and was 43.6% higher than pre-recession levels. Group Services' share of total EAS interventions increased slightly from 4.6% in 2009/10 to 5.3% in 2010/11.

8.1.3 Individual Counselling

The number of Individual Counselling interventions fell 16.5% to 303,457 interventions in 2010/11. A significant portion of this decline is attributed to changes in the province of Ontario's data collection methodology. Individual Counselling represented 31.4% of all EAS interventions, down from 35.2% the previous year.

8.2 Labour Market Partnerships

The LMP measure is designed to enable employers, employee or employer associations, community groups, and communities to work together to develop and implement strategies to deal with labour force adjustments and meet human resources requirements. In 2010/11, provinces and territories allocated $168.2 million to LMPs, which was a year-over-year increase of 3.9%.

EBSMs in Action: LMPs

Using LMP, Employment Manitoba supported Diversity World to develop and deliver the first annual Ability Axis Employment Expo. The Ability Axis Expo is a focal point for all individuals and organizations in Winnipeg that work to increase the employment and career success of persons with disabilities. It connects job seekers and employers, highlights achievement and innovation, and features and disseminates resources, encouraging ever greater workforce participation by Manitobans with disabilities.

In Prince Edward Island, an employer-based skills survey was initiated to determine labour market demand in various industries specific to Prince Edward Island. The survey data will be used to better inform on the use of the Canadian Occupational Projection System (COPS) at a provincial level. This model will be used as a tool in the strategic planning process for labour force development.

8.3 Research and Innovation

Provinces and territories invested $2.0 million, 10.8% more than in 2009/10, in R&I-related initiatives in 2010/11 to identify better ways of helping people prepare for, return to, or keep employment, and be productive participants in the labour force.

II. PROVINCIAL AND TERRITORIAL EMPLOYMENT BENEFITS AND SUPPORT MEASURE ACTIVITIES

This section presents information on the employment programming delivered by each province and territory in 2010/11, together with a description of the labour market conditions and programming priorities in each jurisdiction.[16]

To support the development of their respective labour markets, provinces and territories deliver active labour market programming under Labour Market Development Agreements (LMDAs) individually negotiated with the Government of Canada. As of February 2010, each jurisdiction had implemented transfer LMDAs. Provinces and territories now develop and deliver all of the active employment programming described in Part II of the *EI Act*. While data and analyses are presented according to the traditional EBSM intervention categories, jurisdictions may deliver EBSM-similar programming under different names. A list of these program names, together with their corresponding EBSM intervention category, is included in each jurisdiction's summary in Section II.

To support this programming, the Government of Canada transfers funds to the provinces and territories. The federal government retains responsibility for employment programming that has a national scope (see Section III of this chapter).

In 2010/11, modest employment gains were recorded in most provinces and territories, which tended to lower the demand for EBSM-similar programming because many clients were able to return to work. In response to improved labour market conditions, the provinces and territories adjusted the programming priorities described in their LMDA annual plans, placing greater emphasis on supporting clients with multiple employment barriers. This year, many provinces and territories established labour market priorities to:

[16] Inter-jurisdictional comparisons may be misleading due to differences in programming and labour market conditions. EBSM administrative data presented in Section II do not include pan-Canadian activities.

- increase participation rates of underrepresented groups to support demographic challenges;
- ensure a skilled workforce to enhance participation in the knowledge economy and prevent skills shortages;
- boost expanding sectors by ensuring access to targeted labour market transition strategies;
- enhance labour market productivity by ensuring employers have access to workers with the required skills; and
- support community development of urban and rural areas by facilitating partnership development.

1. Newfoundland and Labrador

Newfoundland and Labrador's labour market strengthened in 2010/11. Employment grew 4.3% to a record high of 222,300, an increase of more than 9,100 workers year over year. These gains were mainly confined to the service-producing industries, led by other services (+14.0%) and public administration (+12.3%). Employment on the goods-producing side of Newfoundland and Labrador's economy was relatively stable. The province's unemployment rate fell from 15.6% in 2009/10 to a three-year low of 13.6%.

In 2010/11, Newfoundland and Labrador faced skills and labour shortages fuelled by growth in the resource sector, an aging labour force, high rates of youth out-migration and the emerging knowledge economy. The province identified limited access to human resource planning expertise as a challenge for small enterprises. While the province's labour force participation rate has gradually increased, it remains below the national average, underlining the importance of ensuring greater participation of underrepresented groups. The province established labour market priorities to improve employment and training outcomes for EI clients while developing regional and local labour markets.

Between 2009/10 and 2010/11, the Government of Canada invested $27.5 million in EAP funding to support the delivery of LMDA programming in Newfoundland and Labrador. In 2009/10, clients served and interventions reached a three-year high as employment in the province reached a four-year low.

NEWFOUNDLAND AND LABRADOR
Key Facts

Labour Market

15+ Years	2010/11	Change, 2009/10–2010/11
Employment	222,300	9,100 ↑
Unemployment Rate	13.6%	2.0 ↓

Client Type and Age[1] Distribution

Active	Former	Non-Insured
69.5% ↓	17.0% ↑	13.5% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
24.9% ↑	64.4% ↓	8.3% ↑

Intervention-to-Client Ratio

Ratio, 2010/11	Change, 2009/10–2010/11
1.42	0.08 ↓

Interventions and Expenditures % Change, 2009/10–2010/11

	Employment Benefits	Employment Assistance Services (EAS)
New Interventions	21.2% ↓	17.3% ↓
Expenditures	1.0% ↓	7.6% ↓

Employment Benefits and Support Measures: EAS Change in Relative Share

	Relative Share, 2010/11	Percentage Point Change, 2009/10–2010/11
Employment Benefits	38.9%	1.1 ↓
EAS	61.1%	1.1 ↑

Clients Served, 2010/11

EI	Non-Insured	Pan-Canadian
13,963 ↓	2,171 ↓	135 ↓

Allocation ($000s)

LMDAs	EAP	Total
133,092	12,920	146,012

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD Apprentices and Group Services.

In 2010/11, expenditures to deliver EBSM-similar programming reached $145.9 million, including $12.9 million in EAP funding. This funding supported a total of 16,134 clients, 14.6% fewer clients than the previous year. Clients participated in 22,933 interventions, an 18.9% decrease.

Following the surge in programming in 2009/10, and a stronger economy, client and intervention volumes fell below pre-recession levels while the province continued to support clients with longer interventions and clients in underrepresented groups and regions. On average, benefit interventions were 11 days longer year over year and 33 days longer than pre-recession levels as the province worked to address the needs of clients requiring greater assistance to become re-employed.

1.1 Employment Benefits

The province delivered 8,913 new interventions in 2010/11, which was 21.2% less than the previous year. However, the average intervention was significantly longer. The number of former clients remained above pre-recession levels, requiring additional resources. Sparked by a stronger economy and initiatives to make full use of the available labour force such as the new wage subsidies for women apprentices, TWS was the only Employment Benefit reporting an increase (+13.0%). Newfoundland and Labrador experienced a decline in the other four categories of Employment Benefits interventions as more job opportunities became available and individuals opted to re-enter the labour market rather than participate in employment programming. One of the largest declines occurred in JCPs (-32.1%), which are typically used less frequently in economies with strong employment growth. The second largest decline was in SE (-24.1%) as the unemployed chose ready employment over self-employment. There were also significant decreases in SD-Regular (-22.5%)[17] and SD-Apprentices (-14.4%).

Even so, SD participation remained higher than pre-recession levels and accounted for more than two thirds of the Employment Benefits interventions delivered in 2010/11, reflecting the province's commitment to developing its labour force. Despite the year-over-year declines, expenditures in SD were 4.2% higher due in part to clients continuing their longer SD interventions into 2010/11. Employment Benefits expenditures fell 1.0% to $125.7 million.

Newfoundland and Labrador EBSM-Similar Programming

Employment Benefits	
TWS	Newfoundland and Labrador Wage Subsidy
SE	Newfoundland and Labrador Self-Employment Benefit
JCPs	Newfoundland and Labrador Job Creation Partnerships
SD	Newfoundland and Labrador Skills Development
Support Measures	
EAS	Newfoundland and Labrador Employment Assistance Services
LMPs	Newfoundland and Labrador Labour Market Partnerships

1.2 Support Measures: EAS

The stronger labour market also reduced the demand for EAS interventions, which declined 17.3% to 14,020. Individual Counselling—the only EAS offered by the province in 2010/11—fell to a six-year low. EAS expenditures fell at a slower pace, down 7.6% to $16.1 million.

1.3 Other Support Measures: LMPs

Newfoundland and Labrador's total expenditure for LMPs climbed 23.6% to $4.1 million. The province chose LMPs to support labour force adjustment activities and to increase human resource planning capacity to enhance the employer community's ability to address skills shortages, skill gaps and workforce recruitment issues.

1.4 Managing for Results

In 2010/11, Newfoundland and Labrador managed the delivery and design of EBSMs according to its priorities to provide quality service to clients, ensure alignment with provincial objectives, and foster regional and local labour market development through partnerships.

[17] Year-to-year comparisons of new SD interventions may be misleading as the Province of Newfoundland and Labrador ceased the practice of recording new interventions following breaks in the delivery of skills development programming. This change made the methodology consistent across institutions.

2. Prince Edward Island

PRINCE EDWARD ISLAND
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	70,500	1,000 ↑
Unemployment Rate	11.5%	0.1 ↑

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
63.7% ↓	12.6% ↑	23.7% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
27.0% ↑	65.1% ↓	7.5% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.30	0.18 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	1.4% ↑	6.3% ↓
Expenditures	2.9% ↓	2.7% ↓

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	42.5%	1.9 ↓
Support Measures: EAS	57.5%	1.9 ↑

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
3,454 ↑	1,071 ↑	55 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
27,301	2,931	30,232

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Prince Edward Island's labour market conditions were mixed in 2010/11 with employment gains offsetting losses. Increases occurred in the Island's service-producing industries (+1,600) led by professional, scientific and technical services; educational services; and, health care and social assistance. Together, these three sectors accounted for over two thirds of the employment gains in the service-producing industries. However, employment levels in the goods-producing industries declined (-600). During the period, the province's unemployment increased from a low of 7,300 in April 2010 to 9,100 in March 2011. Consequently, the Island's unemployment rate remained relatively unchanged from 11.4% to 11.5% during the same period.

In 2010/11, Prince Edward Island faced skills and labour shortages, an aging population, out-migration of skilled youths and a shortage of the essential skills required to perform in a knowledge economy. Faced with these challenges, PEI's vision for 2010/11 focused on supporting employers by implementing strategies to enhance skills development and promote workplace learning. The province also prioritized assisting workers to find job opportunities and facilitating the matching of workers' skills with the current labour market. The province sought to develop innovation sectors such as bioscience, information technology, aerospace and renewable energy to address global economic challenges.

Over 2009/10 and 2010/11, the Government of Canada invested $6.7 million in EAP funding to support the delivery of LMDA programming. On average, the number of clients and interventions remained relatively unchanged compared to pre-recession levels. This could be partially explained by a 46.9% increase in the number of former clients accessing Employment Benefits interventions, which increased the average cost per client by 18.4%.

In 2010/11, total expenditures reached $30.2 million, including $2.9 million in EAP funding. The number of clients participating in EBSMs increased 10.0% to 4,525, while the number of interventions dropped to 5,870 interventions, a 3.2% decline from 2009/10.

2.1 Employment Benefits

The number of Employment Benefits interventions delivered on Prince Edward Island increased 1.4% to 2,494. To strengthen its labour force, the province leveraged employer participation through TWS and apprenticeships. Consequently, the use of TWS reached a seven-year high of 377, which represented an 86.6% increase year over year. This increase reflects the province's focus on promoting jobs and growth through initiatives such as the Rural Action Plan and the Community Internship Program. Interventions were also higher in SD-Apprentices (+3.4%) and SE (+0.5%). Declines were seen in two categories of Employment Benefits; participation in JCPs declined most sharply (-17.5%), followed by SD-Regular (-7.3%). Overall, expenditures for Employment Benefits fell 2.9% to $23.6 million. Almost the entire expenditure decline occurred in JCPs and SD.

Prince Edward Island EBSM-Similar Programming	
Employment Benefits	
TWS	Employ PEI
SE	Self-Employ PEI
JCPs	Work Experience PEI
SD	Training PEI - Individual Training PEI - Apprentice
Support Measures	
EAS	Employment Assistance Services
LMPs	Labour Market Partnerships
R&I	Research and Innovation

2.2 Support Measures: EAS

The number of Employment Assistance Services interventions delivered on Prince Edward Island fell 6.3% to a record low of 3,376. While Employment Services increased 44.6% to 1,992, Individual Counselling fell 37.8%. The shift to less expensive Employment Services and away from Individual Counselling resulted in lower expenditures, a decline of 2.7% to $4.8 million.

2.3 Other Support Measures: LMPs

Prince Edward Island's total expenditure for LMPs was $1.8 million, up 11.1% from 2009/10. This funding supported an employer-based skills projection survey designed to forecast labour market demand in various industries specific to the Island. The survey data will enhance local provincial information for the Canadian Occupational Projection System (COPS). This model will be used as a tool to assist in the strategic planning process as it relates to labour force development.

2.4 Managing for Results

Prince Edward Island conducts regular consultations with stakeholders to ensure that LMDA programming is aligned with emerging trends and effectively meets the needs of employers and individuals. In addition, Prince Edward Island collaborated with the federal government to develop a labour market information strategy that reflects its unique size and diversity.

3. Nova Scotia

NOVA SCOTIA

Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	453,200	2,200 ↑
Unemployment Rate	9.3%	0.1 ↑

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
59.3% ↓	17.7% ↑	23.0% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
20.6% ↓	69.0% ↓	8.2% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
2.00	0.01 ↑

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	11.8% ↓	0.1% ↑
Expenditures	3.4% ↓	5.7% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	15.1%	1.7 ↓
Support Measures: EAS	84.9%	1.7 ↑

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
14,844 ↓	4,429 ↑	323 ↑

Allocation ($000s)		
LMDAs	**EAP**	**Total**
80,991	15,198	96,189

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

In 2010/11, employment levels in Nova Scotia increased moderately (+2,200), pushing the province's employment to a record high of 453,200. Employment gains in the province's goods-producing industries were led by construction (+1,700) and manufacturing (+800). The service-producing industries, meanwhile, remained relatively stable. While overall employment increased, so too did the number of people looking for work (+800), which in turn pushed the unemployment rate up slightly from 9.2% to 9.3%. Nonetheless, Nova Scotia realized the lowest unemployment rate among the Atlantic Provinces in 2010/11.

Challenges facing Nova Scotia in 2010/11 included a shortage of skilled workers and low workforce productivity. Accordingly, Nova Scotia's 2010/11 LMDA plan identified the following four priorities: address labour market adjustments by providing, for example, better labour market and job vacancy information; establish structured pathways to assist people to transition from unemployment to the labour market; move individuals into short-term opportunities that build transferable skills and work experience through the use of skills enhancement processes; and, improve the longer term skills of the labour force. Nova Scotia planned to work with community groups, training providers and businesses to address these priorities.

Over 2009/10 and 2010/11, the province of Nova Scotia received $32.0 million from Canada's EAP to support the delivery of LMDA programming. The additional funding allowed the province to provide service to 24.9% more clients, and deliver 36.3% more EBSM interventions, compared with pre-recession levels. While participation peaked in the first year, participation in the second year remained above pre-recession levels.

Total expenditures for EBSM-similar programming were $96.2 million in 2010/11, including $15.2 million in EAP funding. As the economy began to improve, the demand for employment programming declined: a total of 19,273 clients participated in this programming, a decrease of 2.1% year over year. The number of interventions also fell 1.9% to 38,467.

3.1 Employment Benefits

Overall, Employment Benefits expenditures fell 3.4% to $73.0 million. The province delivered 5,805 interventions in 2010/11, a decrease of 11.8% from the previous year. The improved labour market, slightly longer interventions, an increase in the number of former clients (+3.5%), and the reduction in expenditures all contributed to this decline. All Employment Benefits categories were lower in 2010/11 starting with JCPs (-21.6%) followed by TWS (-16.5%), SD-Regular (-14.7%), SE (-6.1%) and SD-Apprentices (-3.4%). Improvements in the economy made employment more attractive than self-employment.

Nova Scotia EBSM-Similar Programming	
Employment Benefits	
TWS	Nova Scotia Targeted Wage Subsidy
SE	Nova Scotia Self-Employment Benefit
JCPs	Nova Scotia Job Creation Partnerships
SD	Nova Scotia Skills Development
Support Measures	
EAS	Nova Scotia Employment Assistance Services
LMPs	Nova Scotia Labour Market Partnerships

3.2 Support Measures: EAS

While the number of clients participating in EAS interventions was relatively stable over the last two years (32,625 in 2009/10 and 32,662 in 2010/11), the choice of intervention shifted towards Employment Services. These interventions increased 9.0% year over year, while Group Services and Individual Counselling declined 21.0% and 7.7% respectively. Even so, the number of Group Services interventions delivered in Nova Scotia has more than tripled since 2007/08, while Employment Services has risen 46.9% and Individual Counselling has risen 37.7% over the same period. Though lower year over year, Individual Counselling levels were still higher than the average of the previous six years and remained one of the province's most valuable tools for the development of sound return-to-work action plans. EAS expenditures fell 1.1% to $22.1 million, down slightly from $22.4 million in 2007/08.

3.3 Other Support Measures: LMPs

In 2010/11, Nova Scotia significantly reduced its use of LMPs. Total expenditures for LMPs fell 27.2% to $1.1 million. These expenditures focused primarily on partnership agreements with various Sector Councils. These agreements share a number of common themes for dealing with labour force adjustments and meeting human resource requirements, including research on new technologies for the workplace, measures to address skill shortages and human resource planning, and ways to adapt to changing demographics.

3.4 Managing for Results

The Government of Nova Scotia worked in partnership with a number of organizations to address its labour market priorities in 2010/11. The implementation of an information system to administer agreements with service-delivery organizations has improved program delivery and enabled the province to improve administrative practices. In addition, the province scanned promising programming practices and used the results of the scan to guide improvements related to support levels and qualification requirements for SD and SE. Nova Scotia also continued its investment in groups underrepresented in the labour market, providing support through targeted EAS interventions.

4. New Brunswick

NEW BRUNSWICK
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	354,700	4,700 ↓
Unemployment Rate	9.4%	0.6 ↑

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
60.9% ↓	13.8% ↑	25.2% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
31.7% ↑	59.1% ↓	7.3% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.86	0.14 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	16.8% ↓	19.4% ↓
Expenditures	2.1% ↓	6.7% ↓

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	30.6%	0.7 ↑
Support Measures: EAS	69.4%	0.7 ↓

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
14,817 ↓	5,001 ↓	161 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
92,151	11,307	103,458

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Conditions in New Brunswick's labour market weakened in 2010/11, as some key industries continued to face labour market adjustments (e.g. manufacturing, fishing) and had yet to recover from the jobs lost during the recession. Average annual employment fell (-4,700) with losses concentrated in the province's service-producing industries (-4,800). At the same time, unemployment levels rose (+2,400) to a six-year high of 36,900, which pushed the unemployment rate up by 0.6 percentage points to a five-year high of 9.4%.

In 2010/11, the province aimed to help individuals acquire the skills and employment experience needed to obtain and maintain employment. As in 2009/10, the province continued to face two key challenges: the high demand for skilled workers, and achieving the levels of literacy skills that are required to compete in a knowledge-based economy. In response to these challenges, New Brunswick's 2010/11 LMDA plan emphasized several priorities: working with employers to enhance adult literacy; promoting continuous learning in the workplace; assisting workers to match their skills with job opportunities; and, collaborating with stakeholders to help them meet the training needs of the labour market.

Over 2009/10 and 2010/11, the Government of Canada invested $25.8 million in EAP funding to support the delivery of LMDA programming in New Brunswick. This additional funding helped the province to expand program availability and flexibility, thereby enabling the province to provide assistance to more clients and to assist new client groups. As a result, the average number of clients participating in EBSMs increased 21.1% compared with pre-recession levels, and the number of interventions rose by 7.7% over this period. Participation peaked in the first year of EAP funding.

In 2010/11, $11.3 million in EAP funds brought LMDA expenditures in the province to a total of $103.5 million a decrease of 3.2% year over year. While the number of clients decreased 12.5% (-2,820) year over year, client volumes remained 13.0% higher than they were before the recession.

These clients participated in 36,843 interventions, an 18.6% decrease from the previous year. New intervention data does not reflect the 2009/10 clients who continued their Employment Benefits interventions into 2010/11. New Brunswick also tightened the criteria for assistance to ensure sound fiscal management in preparation for the conclusion of the EAP stimulus funding at the end of the fiscal year.

4.1 Employment Benefits

Notwithstanding the province's efforts to address its labour market challenges, the number of Employment Benefits interventions fell 16.8% to 11,285 due in part to stricter programming eligibility rules and prolonged 2009/10 Employment Benefits interventions. Employment Benefits registered year-over-year declines: TWS (-34.7%), SE (-33.4%), SD-Regular (-16.8%) and SD-Apprentices (-2.7%). Despite these year-over-year declines, SD-Regular and SD-Apprentices remained above 2007/08 levels, 24.4% and 13.4% higher respectively. The relative increase in SD compared to pre-recession levels illustrates the province's commitment to help its labour force to sustain meaningful long-term employment, and to address the high demand for skilled workers.

Employment Benefits expenditures declined at a slower pace than the number of new interventions, falling 2.1% to $92.3 million in 2010/11.

New Brunswick EBSM-Similar Programming	
Employment Benefits	
TWS	Workforce Expansion–Employer Wage Subsidy
SE	Workforce Expansion–Self-Employment Benefit
SD	Training and Skills Development Program
Support Measures	
EAS	Employment Assistance Services
LMPs	Adjustment Services
R&I	Research and Innovation

4.2 Support Measures: EAS

Participation in EAS interventions in the province fell 19.4% to 25,558. Employment Services fell 18.6% to a seven-year low of 8,285, while Individual Counselling declined 19.7%. Year over year, expenditures for EAS decreased 6.7% to $8.6 million and they were 17.5% lower compared with fiscal year 2007/08.

4.3 Other Support Measures: LMPs and R&I

Total expenditures for LMPs and R&I fell 22.8% to $2.6 million. LMP funding was used to encourage, support, and facilitate human resources management and labour force adjustments. For example, a project provided for the development of a Human Resources Action Plan/Strategy aimed at recruiting and retaining workers in family support services. With R&I funding, New Brunswick funded a research project designed to assist youth with disabilities in the province to successfully transition from school to the workforce. Another project provided funding for a program that would motivate residents with disabilities to integrate into the workforce.

4.4 Managing for Results

New Brunswick has improved programming by increasing availability and flexibility to ensure that programs and services are more client-centric. The province's program delivery design is based on evidence gained from past and current client experiences. Research projects with national research partners resulted in the implementation of promising practices in the use and dissemination of labour market information for job seekers. In addition, ongoing program evaluations measure program effectiveness and guide the design and delivery of employment programming.

5. Quebec

QUEBEC
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	3,934,600	77,500 ↑
Unemployment Rate	7.9%	0.5 ↓

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
68.1% ↓	12.1% ↑	19.7% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
15.8% ↓	72.6% ↓	11.5% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.12	0.02 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	21.1% ↓	3.7% ↓
Expenditures	4.4% ↓	5.2% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	22.7%	3.7 ↓
Support Measures: EAS	77.3%	3.7 ↑

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
154,070 ↓	37,859 ↓	981 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
596,186	113,799	709,985

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Quebec's labour market strengthened in 2010/11, with employment growth of 2.0% and declines in unemployment (-5.0%), the unemployment rate fell from 8.4% in 2009/10 to 7.9%. The province made employment gains in its service-producing industries, led by professional, scientific and technical services (+8.3%), and health care and social assistance (+6.7%). However, employment in its goods-producing industries fell 1.4% to a 12-year low of 850,000, as gains in the construction industry (+9.8%) were offset by declines in other industries.

In response to labour market challenges, Quebec focused on three key priorities. The first priority was to mitigate the effects of the recession on workers and businesses and to stimulate employment. Second, the province planned to encourage the participation of as many Quebecers as possible in the labour market, most notably by training members of the population located in remote areas of the province. Quebec's third priority was to help businesses increase their productivity and their ability to adapt to change, primarily through education. To this end, the province planned to adjust service delivery to adapt to current economic conditions while responding to the major ongoing structural changes that the province continued to face.

Over 2009/10 and 2010/11, the Government of Canada invested $244.4 million in EAP funding to support the delivery of EBSM-similar programming. With this additional funding, Quebec served an average of 19.1% more clients than it did in 2007/08. Participation in interventions also increased 18.5% over this period.

In 2010/11, EAP funding contributed $113.8 million towards EBSM-similar expenditures, which totalled $710 million. Year over year, the number of clients participating in EBSMs fell 6.6% to 191,929, and the total number of interventions fell 8.3% to 215,727. Even so, both remained substantially above pre-recession levels.

5.1 Employment Benefits

Expenditures for Employment Benefits decreased 4.4% from the previous year to $452 million. However, the number of Employment Benefits interventions fell at a faster pace (-21.2%) reaching 48,882 from 62,015 in 2009/10. This drop was partially explained by a stronger focus on clients facing multiple barriers to employment, which required more intensive employment interventions pushing the average cost per client up 9.6% year over year. The province also made it a priority to get job-ready clients back into the workforce more quickly. Consequently, three of the four Employment Benefits declined, led by SD (-26.2%), followed by SE (-20.9%) and TWS (-20.8%).

To further support quicker returns to work, Quebec increased its investment in Return to Work Supplement interventions, which rose 12.6% year over year—the only Employment Benefits category to increase.

Quebec EBSM-Similar Programming	
Employment Benefits	
SD	Manpower Training Measure Job Readiness
TWS	Wage Subsidy
SE	Support for Self-Employment Measure
TES	Return to Work Supplement
Support Measures	
EAS	Labour Market Information Job Placement Job Research and Assistance Services
LMPs	Job Cooperation Services Manpower Training Measure for Enterprises
R&I	Research and Innovation Strategy

5.2 Support Measures: EAS

A total of 166,845 Employment Assistance Services interventions were delivered in 2010/11, a decrease of 3.7% from the previous year, when 173,297 interventions were delivered. While Group Services (+18.5%) increased, Individual Counselling (-4.8%) and Employment Services (-10.9%) decreased. As more employment opportunities became available, fewer clients required extensive individual assistance to find work.

Expenditures for EAS increased 5.2% to $135.2 million. While the total number of EAS interventions decreased year over year, they remained 21.6% higher than pre-recession levels. Challenges included assisting workers making the transition employment from the goods to the service-producing industries. The average EAS cost increased 26.1% year over year.

5.3 Other Support Measures: LMPs and R&I

Expenditures for LMPs and R&I totalled $122.7 million, a decrease of 3.7% from the previous year. While R&I expenditures increased 1.0% to $268,000, LMP funding declined 3.7% to $122.5 million. These measures supported the development of workers to maintain employment and to increase foundation skills.

5.4 Managing for Results

To help improve service delivery, Emploi-Québec conducted an extensive post-intervention survey with participants. This survey focused on clients' employment status one year following their intervention, steps taken to find employment during that period, the characteristics of employment, use of labour market information services and online placement, and client satisfaction. Data specific to LMDA and Labour Market Agreement (LMA) clients were collected.

6. Ontario

ONTARIO
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	6,646,100	138,300 ↑
Unemployment Rate	8.4%	0.7 ↓

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
36.9% ↓	14.9% ↑	48.2% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
14.8% ↑	74.8% ↓	10.0% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11[2]**
1.38	0.29 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions[2]	2.3% ↑	7.0% ↓
Expenditures	30.9% ↓	61.6% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	19.6%	1.5 ↑
Support Measures: EAS	80.4%	1.5 ↓

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
99,604 ↓	92,788 ↑	2,752 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
544,816	211,942	756,758

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

[2] The current section of this document further explains the change in Ontario's methodology.

Ontario's labour market was stronger in 2010/11 due to employment gains in both the goods- and service-producing industries and lower unemployment levels. The province's level of employment increased 2.1% to a record high of 6,646,100. This increase was concentrated in full-time work, while part-time employment remained relatively stable year over year. The goods-producing sector reported significant employment gains for the first time in six years. Total employment in the goods-producing sector increased 2.8%, reaching 1,405,500. Almost three quarters of these gains came from the construction sector. Accompanying Ontario's increase in employment was a decline in unemployment, which fell 6.5% (-42,200), lowering Ontario's unemployment rate from 9.1% in 2009/10 to 8.4%.

Ontario's labour market improved in 2010/11, reaching higher employment levels than prior to the recession. However, the province continued to address the following labour market challenges: high unemployment, an aging population, newcomers facing barriers, low labour market participation from underrepresented groups and skills shortages. Ontario identified the following key priorities for 2010/11: preserving and creating jobs; providing initiatives that support skills training; investments in literacy and foundation skills; and, providing opportunities for youth. Among the measures was the enhancement of the Second Career program which helps laid-off workers acquire skills needed for employment in high-demand occupations. The province also invested in the Northern Training Prosperity Fund designed to help Aboriginal people and Northern Ontarians.

On August 1, 2010, Ontario launched a new model for employment and training services called Employment Services. The new model integrated employment benefits (Targeted Wage Subsidy) and support measures (Ontario Employment Assistance Service) with Ontario's former Job Connect program. This integration eliminated duplication and gaps in service, and improved coordination among service partners.

The new Employment Services model offers a one-stop location for employment services including: job search; job matching, placement and incentives; job and training retention support; information and

referral services; and, client service planning and coordination. Employment Services also provides access and referrals to other Employment Ontario programs and services.[18] The new program includes standards that focus on employment and training outcomes achieved.

Beginning in 2009/10, the Government of Canada invested $422.6 million over two years in additional funding to support the delivery of EBSM-similar programming. With this investment, Ontario focused on providing additional training support, primarily through Second Career. In the first year, $210.7 million in EAP funding helped the province to address the increase in demand for skills training.

In the second year, Ontario received $212.0 million in EAP funding resulting in total expenditures of $756.8 million. A total of 192,392[19] clients participated in EBSMs, an annual increase of 14.4%. Clients took part in a total of 265,967 interventions. Ontario's focus shifted in the second year towards a greater emphasis on support measures.

6.1 Employment Benefits

There were 52,218 Employment Benefits interventions delivered in Ontario in 2010/11, a 2.3% increase from 2009/10. Growth was recorded in three of the five categories of interventions with SE (+152.1%) increasing the most, followed by JCPs (+27.6%) and SD-Apprentices (+5.5%). Declines were seen in TWS (-33.8%) and SD-Regular fell 8.3% to 28,287, but remained 85.9% above pre-recession levels, reflecting Ontario's continued commitment to skills training. Overall, expenditures for Employment Benefits decreased 30.9% to $341.1 million due to a 28.3% decrease in SD expenditures. Even so, expenditures on Skills Development remained 39.8% above pre-recession levels. Ontario's Career Focus initiative includes skills upgrading that is reflective of the demand observed in the local and/or Ontario labour market.

Ontario EBSM-Similar Programming	
Employment Benefits	
TWS	Ontario Targeted Wage Subsidy
SE	Ontario Self-Employment Benefit
JCPs	Ontario Job Creation Partnerships
SD	Ontario Skills Development/Second Career
Support Measures	
EAS	Ontario Employment Assistance Services/ Employment Service
LMPs	Ontario Labour Market Partnerships

6.2 Support Measures: EAS

Overall, clients received 213,749 Employment Assistance Services interventions in 2010/11. Expenditures for EAS rose to $392.9 million, up 61.6%, reflecting Ontario's emphasis on client services through the Employment Services model described above.

6.3 Other Support Measures: LMPs

Ontario's total expenditure for LMPs was $22.8 million, up 85.0% from the previous year. This significant increase in LMP funding supported employers, employee/employer associations, and communities to develop and implement strategies for dealing with labour force adjustments, and to meet their human resource requirements. LMP funding was also used to support job fairs, to raise awareness of employment opportunities and to better connect employers with workers. For example, a project with the Ontario Construction Secretariat connected apprentices to employers within the construction sector.

6.4 Managing for Results

In 2010/11, Ontario completed the implementation of a new employment service model to ensure that EBSMs are effective, efficient and client-focused.

[18] With the introduction of this new outcomes-oriented Employment Services model, Ontario made significant changes to its reporting methodology and now only counts one individual counselling intervention per client. Therefore, year-over-year comparisons may be misleading.

[19] Due to the implementation of Ontario's new Employment Information System in 2010/11, data in the client and participation datasets are incomplete. As a result, Ontario's client and intervention counts include estimates of 79,227 and 137,041 respectively to match volumes in their system.

To support high-quality customer service and outcomes, Ontario also implemented an integrated information management system which focuses on: reporting, performance measurement, monitoring and business planning.

To assess the performance of its service providers and the overall employment programming, Ontario established the seven core measures and standards that form its Service Quality Standard (SQS). The SQS allows the province to monitor the performance of its service providers according to: customer service quality, effectiveness and efficiency. As part of this monitoring system, Ontario requires each service delivery site to identify continuous improvement targets.

7. Manitoba

Labour market conditions in Manitoba continued to improve in 2010/11. The provincial labour force continued to expand, spurred by employment growth. Employment in the goods sector increased 6.2%, while service sector employment increased 0.9%. A handful of goods-producing industries reported significant employment gains, including construction (+10.5%), utilities (+9.2%) and manufacturing (+8.2%). Agriculture decreased for a third consecutive year (-5.0%) and was the only industry in the goods-producing sector to experience an employment decline for 2010/11. In the service-producing industries, health care and social assistance experienced the highest increase (+10.5%), followed by professional, scientific and technical services (+8.3%). All other sectors were relatively stable or declined. The number of unemployed was stable over the year, with an unemployment rate of 5.3%.

While the recent recession created an immediate focus on supporting affected workers in maintaining their employment and preparing them for new employment opportunities, labour and skills shortages and an aging workforce remained key labour market challenges throughout Manitoba. The province sought to help displaced workers regain employment as efficiently as possible, thereby optimizing the existing labour supply. Additionally, the province encouraged labour force attachment of underrepresented individuals and supported skills development to meet the necessary requirements for a skilled work force. Other priorities for the province included: integrating newcomers into the labour market, addressing shortages for skilled labour, and developing the capacity of Manitoba's northern communities.

MANITOBA
Key Facts

Labour Market

15+ Years	2010/11	Change, 2009/10–2010/11
Employment	622,700	12,700 ↑
Unemployment Rate	5.3%	0.0 –

Client Type and Age[1] Distribution

Active	Former	Non-Insured
45.6% ↓	11.7% ↑	42.7% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
21.4% ↑	70.8% ↑	7.2% ↓

Intervention-to-Client Ratio

Ratio, 2010/11	Change, 2009/10–2010/11
1.54	0.11 ↑

Interventions and Expenditures % Change, 2009/10–2010/11

	Employment Benefits	Employment Assistance Services (EAS)
New Interventions	1.8% ↑	12.8% ↑
Expenditures	2.0% ↓	7.0% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share

	Relative Share, 2010/11	Percentage Point Change, 2009/10–2010/11
Employment Benefits	17.4%	1.5 ↑
Support Measures: EAS	82.6%	1.5 ↓

Clients Served, 2010/11

EI	Non-Insured	Pan-Canadian
18,985 ↓	14,153 ↑	2,455 ↓

Allocation ($000s)

LMDAs	EAP	Total
45,319	11,532	56,851

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

In 2009/10 and 2010/11, the Government of Canada invested $23.1 million in additional funding to support the delivery of LMDA programming. On average, the number of clients and interventions increased by 23.7% and 32.2%, respectively, compared with 2007/08.

In 2010/11, total expenditures were $56.9 million including $11.5 million in EAP funding. The number of clients served and the number of interventions provided rose to record highs of 33,138 (+2.8%) and 50,880 (+10.8%) respectively.

7.1 Employment Benefits

The province delivered 8,830 Employment Benefits interventions in 2010/11, an increase of 1.8% from the previous year. SD-Regular accounted for 88.5% of the increase. SD-Apprentices, meanwhile, continued to increase for a seventh consecutive year. The rise in SD-Regular (+3.3%) and SD-Apprentices (+2.1%) reflects the priority the province placed on developing the skills of affected workers and other underrepresented groups. Improvements to the economy resulted in less use of JCPs (-23.0%) and TWS (-5.5%). Expenditures for Employment Benefits decreased 2.0% to $42.1 million in 2010/11, down from $42.9 million the previous year.

Manitoba EBSM-Similar Programming	
Employment Benefits	
TWS	Wage Subsidies
SE	Self-Employment
JCPs	Employment Partnerships
SD	Skills Development
Support Measures	
EAS	Employment Assistance Services
LMPs	Labour Market Partnerships
R&I	Research and Innovation

7.2 Support Measures: EAS

Overall, there were 42,050 Employment Assistance Services interventions delivered, a 12.8% increase from the previous year. Both Employment Services (+20.6%) and Individual Counselling (+7.9%) reported increases, reflecting the high priority assigned to delivering specialized services to address the complex needs of unemployed individuals. Expenditures for EAS were $9.4 million, up 7.0% from the previous year.

7.3 Other Support Measures: LMPs and R&I

Manitoba's total expenditures for LMPs and R&I were $5.4 million, a decrease of 5.7%. LMPs addressed labour market development activities and workforce adjustment issues, to assist the unemployed and individuals at risk of losing their employment to gain and/or keep sustainable employment.

7.4 Managing for Results

In line with its current priority of integrating newcomers into the labour force, Manitoba supported the *Partnerships for Labour Market-Driven Bridge Programs in Post-Secondary Institutions* with the federal government to develop and implement a model for internationally trained workers. Manitoba provided assessment services and financial supports to assist newcomers who participated in the program. The programs provided gap training for skilled immigrants who are unable to work in their former high-demand occupations because they do not meet Manitoba's labour market expectations and/or standards of practice.

8. Saskatchewan

SASKATCHEWAN
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	524,800	4,500 ↑
Unemployment Rate	5.3%	0.5 ↑

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
77.4% ↓	18.4% ↑	4.3% ↓
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
16.9% ↑	76.3% ↓	6.6% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.31	0.17 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	3.7% ↓	30.7% ↓
Expenditures	7.8% ↓	43.8% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	50.6%	8.2 ↑
Support Measures: EAS	49.4%	8.2 ↓

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
12,885 ↓	577 ↑	943 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
38,133	8,617	46,750

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD Apprentices and Group Services.

Conditions in Saskatchewan's labour market continued to improve in 2010/11. Employment rose for a sixth consecutive year with modest gains of 4,500 (+0.9%) recorded in full-time employment. These gains were evenly split between the provinces' goods- and service-producing industries, led by manufacturing (+6.7%) and construction (+4.4%) in the goods sector, and finance, insurance, real estate and leasing (+5.1%) in the service sector. However, the province's unemployment increased by 3,100 (+11.7%), a faster pace than employment. Consequently, Saskatchewan's unemployment rate rose from 4.8% in 2009/10 to a seven-year high of 5.3%.

Despite positive economic results, Saskatchewan still faced employment challenges. The most prominent was the decline of First Nations, Métis and youth employment as individuals continued to face barriers to employment, while businesses faced significant labour shortages. In order to meet existing and future labour market demands, Saskatchewan's LMDA plan for 2010/11 focused on two key strategies. First, the province sought to ensure a skilled workforce by enhancing programs and providing skills training. Second, the province aimed to increase post-secondary education levels and labour market participation of First Nations and Métis peoples.

Over 2009/10 and 2010/11, the Government of Canada invested $17.9 million in EAP funding to support the delivery of LMDA programming in Saskatchewan. Consequently, the average number of clients participating in EBSMs increased 45.7% when compared to pre-recession levels, and the average number of interventions increased 59.5% over this two-year period. The number of interventions peaked during the first year.

In 2010/11, the province's expenditure for LMDA programming totalled $46.8 million, including $8.6 million in EAP funding. The number of clients served fell 8.5% to 13,462, while the number of interventions decreased 19.2% to 17,574. As employment opportunities began to emerge, job-ready clients opted for a quicker return to work over participating in employment programming. While participation declined year over year, it remained 42.5% higher than pre-recession levels.

8.1 Employment Benefits

The number of new Employment Benefits interventions delivered in Saskatchewan fell 3.7% to 8,896. While the number of interventions decreased for SE (-25.1%) and SD-Regular (-20.3%), TWS interventions were almost unchanged (-0.5%). Steady growth in the province's economy helped to reintegrate those with skills in demand. SD-Apprentices was the only Employment Benefit with a significant increase in participation (+3.0%), reflecting Saskatchewan's growing economy and a steady demand for apprentices. Employment Benefits expenditures fell 7.8% to $36.1 million in 2010/11.

Saskatchewan EBSM-Similar Programming	
Employment Benefits	
TWS	Job Start/Future Skills
SE	Self-Employment Program
JCPs	Employment Programs
SD	Skills Training Benefit Provincial Training Allowance
Support Measures	
EAS	Bridging to Employment Career and Employment Services Development
LMPs	Sector Partnerships Regional Planning Partnerships

8.2 Support Measures: EAS

A total of 8,678 EAS interventions were delivered in Saskatchewan, a decrease of 30.7% from the previous year. Considerable reductions were recorded in all three categories of EAS interventions: Employment Services (-72.2%), Group Services (-17.5%) and Individual Counselling (-3.7%). The decline in EAS reflects improvements to Saskatchewan's economy as the year progressed. Although interventions fell year over year, they remained 44.8% above pre-recession levels. Expenditures for EAS totalled $6.9 million, an increase of 43.8% year over year, as the province targeted individuals with multiple barriers to employment, who required more costly interventions.

8.3 Other Support Measures: LMPs and R&I

Total expenditures for LMPs and R&I were stable at $3.8 million. The province used LMP funding to facilitate initiatives between industry and government and to support workforce development in growing sectors of the economy. Organizations such as the Saskatchewan Construction Association proactively utilized this support measure to assist in addressing current and future human resource needs. In this case, funding was provided to promote trades training and careers in the construction industry. These programs helped Aboriginal people, women, persons with disabilities and young workers to begin a career in construction. In particular, summer internships have emerged as a best practice to provide youth with summer employment as well as the opportunity to work in, and experience, the construction trades.

8.4 Managing for Results

Saskatchewan manages its EBSM-similar programming through a continuum of coordinated programs and services to meet the diverse needs of individuals, communities, employers, and the economy. Saskatchewan adopted a more integrative approach to ensure active marketing of training, engagement with First Nations and Métis leaders, increased training opportunities, and improved counselling and bridging programs.

9. Alberta

ALBERTA

Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	2,032,200	18,400 ↑
Unemployment Rate	6.2%	0.7 ↓

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
34.0% ↓	15.8% ↑	50.2% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
24.3% ↑	65.9% ↓	7.9% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
2.32	0.05 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	12.8% ↓	9.3% ↓
Expenditures	16.3% ↑	7.6% ↓

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	7.2%	0.3 ↓
Support Measures: EAS	92.8%	0.3 ↑

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
71,600 ↓	72,284 ↓	1,690 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
104,062	47,469	151,531

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Conditions in Alberta's labour market were relatively stable in 2010/11. Employment in the province grew by 18,400 to 2,032,200. The service-producing industries in Alberta declined for the first time since 1992/93 after having been at the centre of employment growth. In the goods sector, employment grew 4.6% (+24,300) led by manufacturing (+9.0%) and construction (+6.1%). These gains more than offset losses in the service-producing industries. Since growth in employment exceeded growth in unemployment, Alberta's annual unemployment rate fell from 6.9% in 2009/10 to 6.2%.

In addition to the labour market showing signs of improvement, Alberta anticipated skills and labour market shortages in some sectors. In response to these challenges, the province identified four strategic priorities. First, Alberta planned to provide employment and training programs and services aimed at integrating Albertans into the labour force. The second priority was to help immigrants access the labour market through the recognition of foreign qualifications and credentials. Third, the province planned to ensure that working Albertans enhanced their skills through partnerships with industry and employers. Finally, Alberta planned to support program planning, delivery and management, including systems design and evaluations.

Over 2009/10 and 2010/11, the Government of Canada invested a total of $81.7 million in EAP funding to support the delivery of LMDA programming in Alberta. The number of additional clients served with the assistance of this additional funding represented a 30.8% increase compared with 2007/08, while interventions increased 78.6% over the same period. Participation peaked in the first year of EAP funding, with record highs for both clients served and interventions.

In 2010/11, total expenditures, including $47.5 million in EAP funding, rose 9.1% to $151.5 million. A total of 143,932 clients participated in EBSM-similar programming, representing a 7.6% decline from the previous year. These clients participated in 334,093 interventions, a year-over-year decrease of 9.5%. This decrease could be partially attributed to a higher number of former clients year over year, which contributes to higher client costs. Clients served and interventions remained 25.6% and 69.7% higher, respectively, compared with pre-recession levels.

9.1 Employment Benefits

There were 24,023 Employment Benefits interventions delivered in 2010/11, a decrease of 12.8%. With the implementation of a new learner payment system on August 1, 2010, the province of Alberta was able to consolidate learner eligibility criteria and rules. This also meant that insured clients participating in training activities received new and/or increases to exemptions resulting in an increase to the average cost per client. Subsequently, the province experienced a spike in the number of former clients accessing Employment Benefits (+19.1%), which augmented the cost per client as they received support solely from EI Part II. These clients often require more intensive interventions as their labour market attachment is weaker.

As employment opportunities began to appear, employers took advantage of TWS, and interventions rose 22.1%. At the same time, job-ready individuals returned to the labour force rather than participate in employment programming. As a result, all other employment benefits declined, led by SE (-18.6%) and followed by SD-Regular (-18.5%), SD-Apprentices (-11.9%) and JCPs (-5.9%). The number of JCP interventions has declined every year since 2007/08. Despite a decrease in the number of interventions, expenditures for Employment Benefits increased by 16.3% to $114.4 million in 2010/11.

Alberta EBSM-Similar Programming	
Employment Benefits	
TWS	Workplace Training
SE	Self-Employment
JCPs	Integrated Training
SD	Occupational Training Work Foundations
Support Measures	
EAS	Career Information
LMPs	Workforce Partnerships

9.2 Support Measures: EAS

Alberta delivered 310,070 EAS interventions in 2010/11, which was a decrease of 9.3% from the previous year. As the economy began to improve, more people were able to return to work without the help of employment services. EAS expenditures fell 7.6% to $36.2 million. Economic improvements in 2010/11 meant more people were employed and required less career and employment information services than the previous two years.

9.3 Other Support Measures: LMPs

In 2010/2011, Alberta's total expenditure for LMPs fell 27.9% to $966,000. The province uses LMP funding to develop and promote labour market intelligence, facilitate labour force planning and adjustments; and promote industry/community involvement and community capacity building to address the labour market issues.

In 2010/2011, the overall budget for LMPs was reduced slightly from the previous year. Additionally, the decline in expenditures is attributed in part to a variety of factors such as timing of the contracts, and the increase in other provincial contracts that were not LMP eligible. As LMPs are partnership based, they vary depending on regional needs.

9.4 Managing for Results

In 2010/11, Alberta implemented an evaluation plan that included a systematic review of all Alberta Works Programs and Services, including those funded through the LMDA. The analysis of evaluation outcomes resulted in policy and program revisions as appropriate. Research was also conducted to identify best practices and to support policy and program reviews and revisions. Alberta publicly reports on client outcomes through *Measuring Up*, the Government of Alberta's Annual Progress Report.

10. British Columbia

BRITISH COLUMBIA
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	2,260,100	34,700 ⬆
Unemployment Rate	7.7%	0.2 ⬇

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
48.2% ⬇	15.8% ⬆	36.0% ⬆
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
18.8% ⬆	67.7% ⬇	10.4% ⬆

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.59	0.02 ⬆

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	21.3% ⬇	3.5% ⬇
Expenditures	7.9% ⬆	2.1% ⬆

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	13.2%	2.5 ⬇
Support Measures: EAS	86.8%	2.5 ⬆

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
68,261 ⬇	38,415 ⬆	3,133 ⬇

Allocation ($000s)		
LMDAs	**EAP**	**Total**
278,262	62,859	341,121

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Conditions in British Columbia's labour market strengthened in 2010/11. Employment grew by 34,700, surpassing the peak reached in 2008/09. Employment increased across most of the province's goods- and service-producing industries. Following a four-year decline, manufacturing increased 5.2%. At the same time, the professional, scientific and technical services industry reached record highs and employed an additional 15,200 people. Unemployment levels decreased at a slower pace over this period (-1,600) and consequently British Columbia's unemployment rate fell from 7.9% in 2009/10 to 7.7%.

British Columbia's labour market experienced several challenges in 2010/11 including an aging workforce and low birth rates, a shift from a resource-based economy to a knowledge and services economy, and skills shortages. To address these challenges the province identified the following priorities for 2010/11: develop skilled workers to meet current and future labour market needs; support underrepresented groups in gaining access to employment and labour market programs; support employers through innovative ways to address labour market needs; and, continue to enhance a labour market information service.

Over the past two years, the Government of Canada allocated a total of $115.2 million in EAP funds through British Columbia's LMDA to support the delivery of LMDA programming. With the support of this EAP funding, the average number of clients participating in EBSMs increased 35.2% when compared to pre-recession levels, and 44.9% more in interventions.

In 2010/11, expenditures to deliver EBSM-similar programming reached $321.3 million including $43.2 million in EAP funding. Significant improvements to the provincial labour market, efficiencies from the province's service delivery transformation efforts and a 12.7% spike in former clients, resulted in a 7.0% decline in the number of total clients served to 106,676. Similarly, the number of interventions delivered fell 6.3% to 169,113. As former clients rely solely on EI Part II while participating in EBSM-similar interventions, they normally require significantly more resources to complete their return to work.

10.1 Employment Benefits

As British Columbia's labour market improved, the number of Employment Benefits interventions delivered returned to pre-recession levels. In 2010/11, 22,286 interventions were delivered, a 21.3% decline. Declines in participation occurred in all Employment Benefits categories. JCPs registered the largest decrease (-43.7%), followed by SD-Regular (-31.3%), TWS (-27.9%), SE (-17.5%) and SD-Apprentices (-12.2%). Expenditures for Employment Benefits decreased 7.9% to $186.7 million.

British Columbia EBSM-Similar Programming	
Employment Benefits	
TWS	Targeted Wage Subsidies
SE	Self Employment
JCPs	Job Creation Partnerships
SD	Skills Development Employment Benefit
Support Measures	
EAS	Employment Assistance Services
LMPs	Labour Market Partnerships Employer Sponsored Training

10.2 Support Measures: EAS

Overall, 146,827 EAS interventions were delivered—a decrease of 3.5%. The aim of EAS is to provide employment services that support clients in getting back to employment as quickly as possible. Consistent with Employment Benefits, all EAS interventions rates declined. Group Services interventions declined the most (-34.9%) followed by Employment Services (-4.0%) and Individual Counselling (-3.1%). Expenditures for Employment Assistance Services increased by 2.1% to $130.0 million.

10.3 Other Support Measures: LMPs

In 2010/11, British Columbia's total expenditure for LMPs was $4.6 million, up significantly from the previous year (+59.4%). LMP funding was used to enhance employment programs to better support clients in identified growing sectors. The province also worked with stakeholders to develop local LMP proposals. In particular, the province actively worked with sectors to make sure there were LMP projects in development that would support the provincial Jobs Plan that was launched in early 2011/12.

10.4 Managing for Results

In 2010/11, British Columbia conducted a review of its Self Employment program to strengthen fiscal management and program consistency across the province. The exercise allowed the province to set a standard living allowance and a maximum time limit for the SE contracts.

In addition, as of June 2010, the province implemented the new Market Basket Measure (MBM) to assist staff in determining the appropriate financial support for individuals being funded through Skills Development, one based on factual and objective data.

11. Northwest Territories

NORTHWEST TERRITORIES
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	22,000	900 ↑
Unemployment Rate	7.1%	0.0 –

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
44.2% ↓	14.3% ↑	41.5% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
33.1% ↑	62.6% ↓	4.3% –

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.39	0.06 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	9.8% ↓	7.1% ↓
Expenditures	14.3% ↓	26.8% ↑

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	34.1%	0.7 ↓
Support Measures: EAS	65.9%	0.7 ↑

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
547 ↓	388 ↑	106 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
3,241	514	3,755

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Improvements in the Northwest Territories labour market reflect employment gains. Employment increased 4.5% to 22,000 while unemployment grew at a similar rate (+4.7%) to 1,700. Consequently, the unemployment rate remained stable at 7.1% year over year.

While the Northwest Territories has been affected by the global economic downturn, its labour market remained fairly strong. Nevertheless, the territory faced several labour challenges including: skills shortages, low labour market participation and insufficient programs for underrepresented groups. To address these gaps, the territory focused on the following priorities for 2010/11: skills development training for skills trades, building capacity through community and ASETS partnerships, commencing with enhancements to the Jobsnorth.ca website and providing for continuity of labour market resources and information.

The Government of Canada invested $957,000 in additional funding to support the delivery of LMDA programming in the territory over the two years ending in 2010/11. The average number of additional clients served with the assistance of EAP funding was 58.7% higher than in 2007/08. The average number of interventions also increased significantly (50.7%).

Total expenditures in 2010/11, including $514,000 in EAP funding, reached $3.3 million, a decline of 4.4% from the previous year. Year over year, the number of clients served decreased 4.2% to 935 and clients participated in 1,297 interventions, 8.0% less than the number of interventions in 2009/10.

11.1 Employment Benefits

Overall, expenditures for Employment Benefits decreased significantly (-14.3%) to $2.1 million in 2010/11. Consequently, the number of Employment Benefits interventions decreased 9.8% to 442. All Employment Benefits categories declined with the exception of SD-Apprentices (+7.9%), which continued to represent the majority of all Employment Benefit interventions. TWS declined (-29.2%), SE and SD-Regular decreased 28.6% and 13.0% respectively.

Northwest Territories EBSM-Similar Programming	
Employment Benefits	
TWS	Training on the Job Apprenticeship Training on the Job Youth Employment
SE	Self-Employment Option
SD	Building Essential Skills-Apprenticeship
Support Measures	
EAS	Employment Assistance Services Career Development Service
LMPs	Labour Market Partnerships

11.2 Support Measures: EAS

In 2010/11, there were 855 EAS interventions delivered, a decrease of 7.1% from the previous year. Although EAS declined year over year, EAS participation remained 76.8% higher than the level recorded in 2007/08. Expenditures for EAS totalled $957,000, an increase of 26.8%. Expenditures increased as several new initiatives were introduced to expand the delivery of employment services in various regions of the Northwest Territories.

11.3 Other Support Measures: LMPs

The Northwest Territories total expenditure on LMPs was $243,000 down 1.2% in comparison to last year. LMP funding was used to support the Nahanni Butte Dene Band to conduct a human resource and community economic development survey. The information collected was used as a starting point for discussions between Nahanni Butte Dene Band, Canadian Zinc and regulators regarding appropriate socio-economic mitigation measures.

11.4 Managing for Results

Northwest Territories has improved programs and addressed priorities with the establishment of Regional Training Partnerships to ensure the participation of all five of its regions. This partnership ensures that all parties collaborate in developing programs adapted to the needs of each individual region.

Northwest Territories also used a consultation process to develop a comprehensive Labour Force Development Framework while ensuring easier access to LMP funds.

12. Yukon

YUKON
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	18,100	1,100 ↑
Unemployment Rate	6.0%	1.9 ↓

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
55.5% ↓	10.7% ↓	33.8% ↑
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
24.9% ↑	63.5% ↓	7.9% ↓

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.07	0.01 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	6.5% ↓	22.7% ↓
Expenditures	10.9% ↓	1.3% ↓

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	43.5%	4.6 ↑
Support Measures: EAS	56.5%	4.6 ↓

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
345 ↓	176 ↓	161 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
3,589	418	4,007

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Yukon's employment rose by 1,100 in 2010/11 compared to the previous reporting period, a 6.1% increase to 18,100. At the same time the unemployment decreased 20.7% to 1,200. Consequently, the unemployment rate decreased to 6.0% from 7.8% in 2009/10, indicating a significantly stronger labour market.

As the labour market continued to evolve and expand, the Yukon encountered challenges such as an aging workforce, skills shortages and fewer individuals available to fill job vacancies. In order to address these challenges, Yukon focused on skills training, particularly through its Apprenticeship Training program for 2010/11. Yukon also supported underrepresented groups, encouraged employers to turn to foreign workers to fulfill their workforce needs, and examined a variety of approaches to human resource planning issues.

Over 2009/10 and 2010/11, the Government of Canada invested $840,000 in additional funding to support the delivery of LMDA programming in the territory. Consequently, the number of clients participating in EBSMs increased an average of 11.2% compared to pre-recession levels, and 7.0% more interventions were delivered over this period, despite a peak in clients and interventions in the first year.

In 2010/11, LMDA expenditures of $3.6 million included $418,000 in EAP funding. A total of 521 clients participated in EBSM programming—stronger labour market conditions resulted in a year-over-year decrease of 15.7%. The number of interventions declined as well, falling 16.4% to 559.

12.1 Employment Benefits

A total of 243 Employment Benefits interventions were delivered in Yukon in 2010/11 a decrease of 6.5% from the previous year. As Yukon's labour market generated new employment opportunities, TWS reached a seven-year high (+83.3%) and participation in SE declined (-23.1%). Skills Development interventions declined for both SD-Regular (-16.0%) and SD-Apprentices (-4.1%). Similar to the decrease in interventions, expenditures for Employment Benefits fell 10.9% to $2.2 million.

Yukon EBSM-Similar Programming	
Employment Benefits	
TWS	Targeted Wage Subsidies
SE	Self-Employment
JCPs	Job Creation Partnerships
SD	Skills Development Employment Benefit
Support Measures	
EAS	Employment Assistance Services
LMPs	Labour Market Partnerships Employer Sponsored Training

12.2 Support Measures: EAS

The number of Employment Assistance Services interventions delivered in Yukon declined from 409 in 2009/10 to 316, a drop of 22.7%. Despite improvements to Yukon's labour market over the recent years, individuals who remained unemployed continued to face significant barriers to employment. Accordingly, the number of Individual Counselling interventions fell from 55 in 2009/10 to 12, a drop of 78.2% and Employment Services fell 14.1%. At the same time, expenditures for EAS decreased slightly to $1.2 million.

12.3 Other Support Measures: LMPs

Yukon's total expenditure for LMPs was $127,000, up 86.5%. Expenditures in LMPs fluctuate from year to year based on the labour needs of the community. For example, the Yukon Disabilities Employment Strategy, a community-driven initiative explores best practices in engaging person with disabilities in northern labour markets. The project is scheduled to continue for the next two years.

12.4 Managing for Results

Yukon managed the design and deliver of EBSM programming in 2010/11 by:

- developing and implementing a new case management system to replace the federal system;
- initiating performance discussions with respect to priorities, goals and objectives for the Yukon Labour Market Framework; and
- ensuring the Disabilities Employment Strategy and Health Care Workers Strategy support Labour Market Development priorities.

13. Nunavut

NUNAVUT
Key Facts

Labour Market		
15+ Years	**2010/11**	**Change, 2009/10–2010/11**
Employment	11,800	800 ↑
Unemployment Rate	16.4%	3.2 ↑

Client Type and Age[1] Distribution		
Active	**Former**	**Non-Insured**
49.5% ↑	33.2% ↑	17.3% ↓
Youth (15–24)	**Core Age (25–54)**	**Older Workers (55+)**
22.1% ↓	72.7% ↑	4.1% ↑

Intervention-to-Client Ratio	
Ratio, 2010/11	**Change, 2009/10–2010/11**
1.05	0.11 ↓

Interventions and Expenditures % Change, 2009/10–2010/11		
	Employment Benefits	**Employment Assistance Services (EAS)**
New Interventions	60.0% ↓	87.2% ↓
Expenditures	38.3% ↓	N/A

Employment Benefits and Support Measures: EAS Change in Relative Share		
	Relative Share, 2010/11	**Percentage Point Change, 2009/10–2010/11**
Employment Benefits	67.0%	27.6 ↑
Support Measures: EAS	33.0%	27.6 ↓

Clients Served, 2010/11		
EI	**Non-Insured**	**Pan-Canadian**
182 ↓	38 ↓	103 ↓

Allocation ($000s)		
LMDAs	**EAP**	**Total**
2,857	514	3,371

[1] Age distribution does not equal 100%, as the "unknown" category is not reported here. Date of birth is not collected for clients in SD-Apprentices and Group Services.

Following a strong performance last year, labour market conditions were weaker in Nunavut in 2010/11. Employment rose 6.8% to 11,800, while unemployment increased 37.3% to 2,300. Consequently, Nunavut's unemployment rate rose from 13.2% last year to a record high of 16.4%.

Nunavut continued to face significant labour market challenges, including skill shortages, low levels of literacy and challenges related to its geographically dispersed population. As identified in its 2010/11 LMDA plan, Nunavut's labour market priorities focused on: educating and training workers to develop the knowledge, skills and job readiness necessary to meet labour market demand; preparing the labour force to meet the needs of a growing economy; and, managing the ongoing transition from a traditional to an industrial economy. In addition to these priorities, Nunavut sought to identify specific training methodologies and opportunities to meet the unique needs of Nunavut's labour market.

Over the two years ending in 2010/11, the Government of Canada invested $1.2 million in EAP funding to support the delivery of LMDA programming in Nunavut. During this period, the average number of clients participating in EBSMs declined 11.5% compared to 2007/08 and the number of interventions decreased 9.4%.

In 2010/11, EBSM-similar expenditures fell 40.2% to $1.8 million, and included $514,000 in EAP funding. The number of clients participating in EBSM programming fell 74.0% (-626) to a seven-year low of 220. These clients participated in 230 interventions, a year over year decrease of 76.5% (-749).

13.1 Employment Benefits

Nunavut delivered 154 Employment Benefits interventions in 2010/11, a decrease of 60.0% from the previous year, when 385 interventions were delivered. The number of SD-Apprentices increased from 48 to 50 and SE was stable. All other Employment Benefits decreased: TWS (-97.4%, from 76 to 2) and SD-Regular (-60.9%, from 258 to 101). Part of the decline in SD is attributed to a slowdown in some mining ventures, which resulted in lower demand for skilled workers. Employment Benefits expenditures decreased 38.3% to $1.7 million.

Nunavut EBSM-Similar Programming	
Employment Benefits	
TWS	Training on the Job
SE	Self-Employment Option
JCPs	Job Creation Partnerships
SD	Building Essential Skills
Support Measures	
EAS	Employment Assistance Services
LMPs	Labour Market Partnerships
R&I	Research and Innovation

13.2 Support Measures: EAS

Nunavut Arctic College's facilities and field staff deliver Employment Assistance Services directly to clients across the territory. The number of EAS interventions delivered in Nunavut dropped to 76, down 87.2% from the previous year when 594 interventions were delivered.

13.3 Other Support Measures: R&I

In 2010/11, Nunavut started its Research and Innovation implementation phase as it is the first year in which this territory offers this support measure. The total expenditure for R&I was $24,000.

13.4 Managing for Results

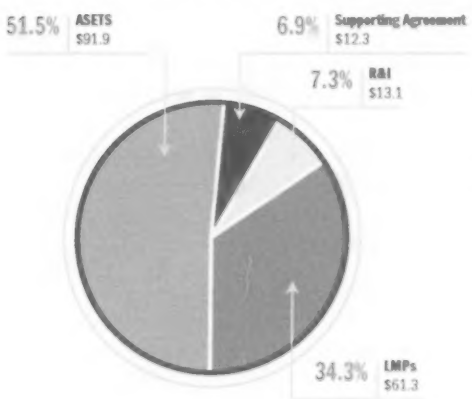
To increase client participation in SE and TWS, Nunavut adjusted these benefits in line with both client feedback and their recent EBSM summative evaluation. These adjustments included a harmonization of these benefits that strived to improve client service. Targets for client delivery were set by field staff. Based on previous evaluations, changes were made that resulted in better strategic planning and the integration of programming delivered under the Nunavut's Labour Market Agreement with the Government of Canada.

III. PAN-CANADIAN ACTIVITIES

Pan-Canadian activities support HRSDC's strategic outcome of creating a skilled, adaptable and inclusive labour force, and an efficient labour market. These activities are designed to address national labour market challenges and promote equality of opportunity for all Canadians with a focus on helping underrepresented groups reach their full potential in the Canadian labour market.

CHART 4

Pan-Canadian Expenditures 2010/11 ($Millions)



While provinces and territories design and deliver most employment programming, the federal government continues to play a leadership role in responding to challenges that extend beyond local and regional labour markets. The federal government focuses on ensuring accountability and evaluation of LMDA programming, and developing policy on an ongoing basis, in addition to delivering pan-Canadian activities.

In 2010/11, the expenditure for these activities reached $178.6 million.[20] Pan-Canadian programming focused on five programming streams:

1) Aboriginal Programming;
2) Enhancing Investments in Workplace Skills;
3) Finding Innovative Solutions to Reducing Risk;
4) Supporting Agreements with Provinces, Territories and Aboriginal people; and,
5) Labour Market Information.

1. Aboriginal Programming

The Aboriginal Skills and Employment Training Strategy (ASETS) is the successor to the Aboriginal Human Resource Development Strategy (AHRDS), which expired on March 31, 2010.

ASETS focuses primarily on demand-driven skills development; partnerships with provinces, territories as well as with the private sector; and accountability for improved results. It also supports the development of a skilled Aboriginal workforce, which is one of the Aboriginal Economic Development Framework's objectives.

ASETS is built on the following three strategic priorities:

1) Demand-Driven Skills Development for First Nations, Inuit and Métis people

In recognition of the diversity of Aboriginal clients, as well as local labour market conditions, ASETS recognizes that Aboriginal organizations are in the best position to design labour market services to meet the unique and varied needs of Aboriginal people across Canada's diverse regions. ASETS strives to reduce gaps between Aboriginal labour supply and employer demands. To do so, it seeks to empower Aboriginal service delivery organizations to offer a broader suite of employer outreach and services. By developing and delivering a flexible range of employment activities based on regional and local economic demands and/or labour market information and analysis, Aboriginal organizations will be better able to enter into partnerships on a wider scale. That, in turn, should increase Aboriginal participation in the labour market.

Key Changes Associated with the Aboriginal Skills and Employment Training Strategy (ASETS)

From AHRDS		To ASETS
Individual-focused training	→	Demand-driven approaches, linked to employers and reinforced through rigorous business plan and incentive investments.
Individualistic and short-term training delivery approach	→	More systematic, strategic partnering (with business, provinces and territories, other government departments, and other Aboriginal service providers), reinforced through business plans and incentives.
Overlap and duplication in some areas	→	Realization of efficiences and enconomies of scale among service providers, respecting capacity needs and cultural imperatives of client base.
Limited employer service capacity	→	Investments in capacity building; encouragement of more outreach and initiative; adjustments to service delivery networks.
Incosistent reporting and performance information	→	Annual performance reports and improved reporting using realistic performance indicators.
Accountability through subagreements not standardization	→	Regular monitoring of Aboriginal Human Resources Development Agreements/sub-agreements and points of service.
HRSDC role focused primarily on management and oversight	→	More expansive HRSDC role, focused on brokering, stewardship, capacity building and promotion of best practices.

[20] Expenditures related to programming totalled $178.6 million in 2010/11, as reported in Chart 4 and Annex 4.12. However, total pan-Canadian expenditures are higher, as they include administrative costs.

2) Partnerships with the Private Sector, Provinces, Territories and Federal Government

ASETS seeks to promote formal, strategic partnerships between Aboriginal organizations, industry, sector councils, provinces and territories, municipalities, and other federal government departments that will improve employment outcomes and use of resources. An improved partnership will promote greater efficiency and effectiveness of Aboriginal labour market programming, reducing duplication and boosting leveraging opportunities.

ASETS also seeks to improve the coordination of the Aboriginal labour market with federal, provincial and territorial skills development and training programs. This should help Aboriginal clients achieve improved employment outcomes.

3) Emphasis on Accountability and Results

ASETS ensures that service delivery organizations have the necessary tools and adequate support to address accountability and reporting requirements. As a result, service delivery organizations can assess performance against targets, program objectives and prevailing labour market conditions. In addition, they are able to adjust program activities through their business plans, ensuring streamlining and avoiding duplication. Furthermore, developing a reporting strategy under ASETS allows organizations to effectively communicate their successes and those of their clients.

Between the launch of AHRDS in 1999/2000 and 2009/2010, HRSDC invested approximately $340 million in it annually, helping more than 560,000 Aboriginal Canadians develop career-focused employment action plans and 177,000 individuals find employment. In 2010/2011, the transition year from AHRDS to ASETS, approximately 49,000 individuals were served, with more than 14,000 individuals being placed in employment.

2. Workplace Skills

The workplace skills investment stream helps the Government of Canada ensure that Canada's labour market functions as an integrated national system. In this area of investment, activities include supporting national standards for workplace skills training and national partnerships between employers and workers.

Workplace skills programming ensures the following:

- high-quality, consistent, comparable national standards for workplace skills training;
- support for apprenticeship training, certification and mobility in the national skilled trades to meet industry needs;
- recruitment of foreign workers with skills in key sectors and occupations;
- productivity and retention improvements from leveraged employer-sponsored training investments; and,
- a national learning system responsive to employers' skills requirements.

The Workplace Skills initiative aims to do the following:

- remove barriers and impediments to labour mobility;
- build capacity among workplace partners to improve skills development as a key factor in increasing productivity;
- leverage investment in and ownership of skills issues, especially in addressing skills and labour shortages; and,
- support efforts to ensure Canada's learning system is responsive to employers' skills requirements.

Activities and initiatives supported through pan-Canadian funding compliment the programs funded through the Consolidated Revenue Fund (CRF).

2.1 Sectoral Initiatives

Sector councils are independent national partnership organizations that work in conjunction with different labour, business and educational groups to create and share new ideas about human resource and skills issues. Their main objective is to find solutions that benefit their sector in a collective, collaborative and sustained manner. In 2010/11, allocations under sectoral initiatives totalled $42.0 million.

2.1.1 Sector Council Program

The Sector Council Program (SCP) partners with organizations to bring business, labour and education stakeholders together to address issues unique to a specific industrial sector. The SCP represents over 50% of the Canadian labour market through a network of 36 national, non-profit sectoral organizations. Sector council members share ideas, concerns and perspectives about industrial challenges to develop collective and sustainable solutions. In 2010/11, particular attention was directed to key sectors of the economy, including information and communications technology, petroleum, construction, tourism, aviation, and biotechnology.

Environmental Careers Organization of Canada (ECO Canada)

For over a decade, ECO Canada has offered professional designations specifically for environmental professionals. ECO Canada's Environmental Professional certification is the only designation of its kind in Canada to provide professionals with formal recognition of their competencies in fields such as greenhouse gas verification and environmental auditing. This certification is crucial in the environmental sector, where "green-washing" makes it difficult to separate the self-proclaimed experts from the real ones. Recently, ECO Canada has developed a new Professional Meteorological Certification, which has been endorsed by key stakeholders, such as Environment Canada, the Canadian Meteorological and Oceanographic Society, and the Weather Network.

Sector council activities have four main objectives:

- increasing industry investment in skills development to promote a quality workforce;
- ensuring that industry requirements are met by informing the learning system;
- reducing barriers to labour mobility, leading to a more efficient labour market; and,
- enhancing the ability of industry to recruit and retain workers and to address human resource issues.

Sector council activities include compiling and diffusing labour market information (LMI); developing national occupational standards (NOS) and related certification/accreditation programs to tackle human resource and skills development matters; and integrating foreign-trained workers.

In the non-profit sector, the impact of recessions is typically felt later and lasts longer than in other sectors. As demand for many non-profit services tends to rise during economic downturns, it reinforces the need for industry-driven partnerships to encourage workplace skills development. Through its network of sector councils, the SCP supports the development of LMI to help stakeholders better understand the economic recovery, explore cross-sectoral links with other sector councils and ensure that sector council activities align with provincial/territorial investments in skills development, including apprenticeship training. For example, the Construction Sector Council (CSC) has developed a highly respected and well-used LMI program. As a living database on supply and demand for construction labour, it provides annual forecasts by province for 33 trades and occupations, a national summary, and a forecasting web site that allows users to produce customized LMI reports. Groups such as the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games, Manitoba Hydro, Shell Canada, Opti-Nexen, Ontario Power Generation and others use or have used CSC's data for planning purposes.[71]

With respect to the development of NOS, the Electricity Sector Council[72] recently developed two new occupational standards for emerging positions within the renewable energy field, wind turbine technician and solar photovoltaic installer. Similarly, the Forum for International Trade Training, another sector council, has developed the Certified International Trade Professional designation.[73] As of March 31, 2011, 426 individuals had been certified at this level. In 2010/11, about 19,900 employees were certified based on certification systems developed by or with the assistance of sector councils.[74]

[71] For details on the reports, see **http://www.csc-ca.org/en/catalog/labour-market-information/construction-forecast-reports**.

[72] See the council's website at **http://www.brightfutures.ca**.

[73] For details on the certification, see **http://www.fitt.ca/designation.htm**.

[74] This figure includes 13,000 certifications reported by the Fish Harvesters Human Resource Council, whose members are required to recertify every year.

Organizations supported by the SCP also implement targeted initiatives that increase labour force participation and integration of underrepresented groups, such as Aboriginal people and immigrants. For example, in 2010/11, the Aboriginal Human Resources Council delivered six partner Mastering Aboriginal Inclusion sessions that attracted 115 registrants, as well as 17 Mastering Aboriginal Inclusion sessions offered through the Racism-Free Workplace initiative, which attracted 406 registrants. These sessions helped participants understand how to create work environments, policies and practices that welcome and facilitate the career success of Aboriginal workers.

Sector councils also undertake initiatives that support key federal objectives. Through sector councils such as the Environmental Careers Organization of Canada, the SCP supports the Canadian labour market in the green sector. The Canadian Tourism Human Resource Council supports the advancement of the Federal Tourism Strategy. Likewise, the Information and Communication Technology Council and the Cultural Human Resources Council support the digital media sector and the federal Digital Economy Strategy.

The SCP oversees an Annual Survey of Performance Indicators (ASPI) to collect data on the outputs of sector councils, as defined in the Sector Council Generic Logic Model. These output data provide one way to assess the performance of the SCP against predetermined immediate outcomes and, to a lesser extent, intermediate outcomes. The following data are from the 2010/11 ASPI report.

- There were 623 relevant and up-to-date labour market reports or sector study reports available for use by the sectors.
- On average, each sector council had partnerships with 3,432 stakeholders.[25]
- Councils leveraged $47.0 million in cash and in-kind investments from stakeholders in 2010/11, including $29.0 million in cash and $18.0 million in in-kind contributions. The total amount leveraged over the past four years is $169.0 million.
- Ninety-four occupational standards were developed or upgraded in 2010/11 by or with the assistance of 23 councils (68.0% of all councils).
- All councils had a Results-Based Management and Accountability Framework (RMAF) in place.

Performance Objectives for 2010/11

The SCP's performance objectives support HRSDC's strategic outcomes, which are as follows: support the changing needs of Canadian workers and employers; and help Canadian workers and employers maintain workplace safety, fairness, productivity and cooperative workplace relations.

The SCP also contributes to enhancing the skills and flexibility of the Canadian workforce. By delivering targeted programming, SCP is working to ensure that Canada's skills development and training institutions function efficiently, that the efforts of key stakeholders are coordinated and effective, and that Canadian workers have the support needed to fully participate in the labour market and/or pursue training to close gaps in their skills and abilities.

2.1.2 Sectoral Skills Tables

In addition to supporting sector councils, the SCP may also fund skills tables, which are time-limited and industry-driven partnerships created in a particular region or area of economic activity to identify and address labour market and skills issues through coordinated decision-making and action.

There is currently only one skills table: the Asia-Pacific Gateway Skills Table (APGST). Located in British Columbia and established in fall 2008, the APGST is a non-profit, cross-sectoral, regional partnership among labour, business and education/training institutions. It responds to human resource and skills development pressures associated with developing and advancing the Asia-Pacific Gateway Corridor Initiative. HRSDC facilitates the coming together of the labour market partners needed to address skills and training needs in the Gateway.

[25] Stakeholders can be in the industrial sector, governments, learning organizations and non-governmental entities.

Pan-Canadian Programming in Action: BioManufacturing Project

BioTalent Canada's BioManufacturing Project is developing a model and tools to help laid-off workers in the traditional manufacturing sector move into jobs in biotechnology firms. To date, the project has produced a research study that outlines the opportunities and challenges related to moving manufacturing workers into the bio-manufacturing sub-sector, as well as a suite of online tools and resources to support these transitions. Partnerships are forming in Kitchener-Waterloo and the surrounding area, where the transition model will be tested. Examples of traditional workers who may benefit from this model include production workers, machine operators, chemical engineers and production managers. Online tools will help both laid-off job seekers and employers identify the competencies and skills required for a successful transition.

Jointly with Transport Canada, HRSDC provides funding to support the infrastructure needs of the skills table; HRSDC also provides project funding. Since the APGST's inception in 2008, HRSDC has provided $3.1 million in funding, including $611,913 from the Sectoral Skills Table funding envelope and $647,978 from other funding envelopes in 2010/11.[26] This brings HRSDC's total investment in skills tables in 2010/11 to $1,259,891.

One of the APGST's notable achievements has been the effective coordination of federal, provincial and industry project investments. For example, the Business of Shipping—Training Pilot project, completed in 2011, customized a curriculum that reflects the workforce requirements of the Gateway's shipping sector. It was piloted to 250 shipping officers and operators. This project responded to industry needs by investing in skills development tools that allow the shipping sector to thrive as it continuously expands.[27] The project was funded through a combination of federal, provincial and industry support.

Territorial skills tables and/or committees in Nunavut, the Northwest Territories and Yukon are in the formative stages of development and planning. In 2010/11, the SCP played a coordinating role in bringing the key labour market partners in these territories together for initial discussion and planning.

2.1.3 Labour Market Transition Initiative

Initiated as part of Canada's Economic Action Plan, the Labour Market Transition Initiative (LMTI) was an employer-focused and coordinated approach that supported skills development and skills matching in rapidly growing sectors. By disseminating information-based tools and providing skills upgrading activities, LMTI helped employers in growing sectors find experienced workers facing job loss in declining sectors.

LMTI undertook projects in the environmental, petroleum, mining and biotechnology sectors. For example, employers in the environmental sector gained access to former automotive manufacturing workers, while the petroleum industry moved former pulp and paper employees into its oil sands development workforce.

2.1.4 Skilled Trades and Apprenticeship

A key way in which the federal government contributes to mobility and labour market efficiency is through the Interprovincial Standards Red Seal program. Created in 1959, the program represents a longstanding partnership with provinces and territories. The Red Seal program is recognized throughout Canada as an industry-endorsed standard of excellence for the skilled trades. It is managed by HRSDC with the provinces and territories through the Canadian Council of Directors of Apprenticeship (CCDA). Through the Red Seal program, experienced tradespeople and apprentices who have completed their training may take the interprovincial Red Seal examination. If they succeed, they receive a Red Seal endorsement on

[26] The other funding envelopes include the EI Part II/Sectoral Partnerships Initiative and the SCP.

[27] See **http://www.apgst.ca/projects/#business.**

their provincial or territorial certificate of qualification. In most provinces and territories, the Red Seal examination has been adopted as the certification exam for the Red Seal trades.

The program encourages harmonization of provincial and territorial apprenticeship training and certification programs by developing and maintaining national standards of qualification and examinations for Red Seal trades, in partnership with apprenticeship and certification stakeholders. To date, 52 trades are included in the Red Seal program.

Each year, 40,000 completing apprentices and skilled tradespeople from across Canada write Red Seal examinations. Approximately 26,500 Red Seals are issued annually. This number has steadily increased over the past decade. There is some variance year over year, which may be attributed to changing economic conditions.

Red Seal trades in Canada have seen an overall increase in the number of new apprentices, active apprentices and apprenticeship completions over the last decade. While demand for skilled tradespersons is expected to grow in the coming years, data from the 2009 Registered Apprenticeship Information System (Statistics Canada) show that the 2008 global recession affected the number of new apprenticeship registrations for Red Seal trades, which fell by 25.0% from the previous year. The recent recession affected some industries in which the Red Seal program is strongly represented—namely, construction, manufacturing and natural resources.

In 2009/10, there were 333,822 registered apprentices in Canada; of that total, 270,438 apprentices (81.0%) were in Red Seal trades. In 2009/10, 25,980 apprenticeship completions (84.0%) were in Red Seal trades.

Apprenticeship training and certification is a provincial/territorial responsibility. Provinces and territories can designate trades and develop apprenticeship programs for their own requirements. Apprenticeship programs are available in more than 300 skilled trades across Canada. HRSDC produces a comparative chart of apprentice training programs across Canada, the Ellis Chart, in collaboration and consultation with the provinces and territories. This chart provides training and certification details for these apprenticeship programs.[28]

The federal government is a major source of funding for the Interprovincial Standards Red Seal program, investing approximately $8 million annually to support the operations of the program. HRSDC provides a national secretariat function to the CCDA. With input from industry experts, HRSDC also coordinates the development of core Red Seal products, such as the National Occupational Analysis (NOA) and interprovincial examinations for each Red Seal trade. HRSDC provides strategic advice on the administration of the program to the CCDA and supports its ongoing strategy of strengthening the Red Seal program. The two organizations jointly conduct evidence-based analysis to address key information gaps in apprenticeship and the skilled trades.

The CCDA, with federal support, consulted more than 300 stakeholders in 2010 on the Strengthening the Red Seal Initiative, which is designed to ensure that the program remains relevant, strong and responsive to industry demands. Through the Multiple Assessment Pathways (MAP) pilot, the CCDA is exploring innovations in standards development and assessment, which include the development of Occupational Performance Standards (OPS) and enhanced assessment methods beyond the current written examination. The MAP and OPS initiatives are designed to allow more effective recognition of foreign qualifications, to remove barriers to certification of tradespeople and to support more effective recognition of trade competencies. This approach will be developed based on a cost-feasibility analysis, as well as research on the optimal format for an enhanced occupational standard.

The Red Seal program is the main delivery platform for federal measures such as the grants for apprentices and the apprenticeship job creation tax credit for employers. Tying these incentives to the designated Red Seal trades promotes interprovincial mobility and national standards, in keeping with the labour mobility provisions of the Agreement on Internal Trade.

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[28] The Ellis Chart is available online at **http://www.ellischart.ca/h.4m.2@-eng.jsp.**

Pan-Canadian Programming in Action: Research on Apprenticeship and the Red Seal Program

- The 2007 National Apprenticeship Survey (NAS) collected information on more than 30,000 apprentices. As a result of a collaborative research initiative, the CCDA and HRSDC prepared nine reports that covered issues such as motivations for entry, profile of participants in apprenticeship, challenges to completion and labour market outcomes, using the NAS data set. These studies, which started in 2008, were finalized in 2010. Four of the reports authored by jurisdictional researchers–which explore findings on motivations for entry, perceived quality of training, impact of compulsory certification and interprovincial mobility–are now available on the website of the Interprovincial Standards Red Seal program **(http://www.red-seal.ca)**.
- In 2010/11, the Canadian Apprenticeship Forum (CAF) used NAS data to produce a study* examining apprenticeship outcomes. The ultimate goal of this project was to demonstrate that pursuing and completing an apprenticeship is a viable post-secondary education option. The CAF released this study on its website in 2011. Provinces and territories continue to use NAS data to inform their policy and program decisions.
- To help the CCDA make the program more relevant to industry needs, a 2010 survey collected information on the extent to which employers consider the Red Seal program when making hiring and training decisions. The survey was administered to 3,203 private sector and 450 public sector employers across Canada who have hired skilled tradespersons in eight selected trades. Key findings include the following:
  - 49% of employers in the private sector and 54% of employers in the public sector are aware of the Red Seal program; and
  - 72% of private sector employers reported that they train apprentices, compared with only 39% in the public sector.

* Canadian Apprenticeship Forum, *Assessing Apprenticeship Outcomes: Building a Case for Pursuing and Completing an Apprenticeship* (Ottawa: Canadian Apprenticeship Forum, 2011). The report can be found online at **http://www.caf fca.org/en/reports/pdf/apprenticeship_outcomes.pdf**.

2.2 Youth Awareness

The national Youth Awareness program provides financial assistance for projects designed to address labour market issues facing communities. Through job fairs and promotional events, the program aims to raise awareness among employers and communities that young people are the labour force of the future. In 2010/11, program priorities included raising awareness of skilled trades and technologies among youth, and improving opportunities for youth in small rural communities. Delivered at the national, regional and local levels, Youth Awareness projects receive funds from EI Part II and leverage funds from many other sources, including provincial governments. EI Part II expenditures related to Youth Awareness in 2010/11 supported 194 projects and totalled $8.3 million.

Pan-Canadian Programming in Action: Youth Awareness

- In May 2010, the 16th Skills Canada National Competition was held in Waterloo, Ontario. Canada's largest display of trade and technology talent brought together more than 500 secondary, post-secondary and apprenticeship students from all areas of Canada to compete in more than 40 trade and technology contests in an Olympic-style event.
- Over two days, the 2010 Canada Career Week Fair provided more than 11,000 Edmonton youth with labour market and career planning information to help them make knowledgeable career, educational and employment decisions related to future labour market participation. It also offered employers the opportunity to connect with youth through more than 160 booths and displays.

2.3 National Occupational Classification and Essential Skills Profiles

2.3.1 National Occupational Classification

The National Occupational Classification (NOC) is Canada's occupational information infrastructure. The NOC specifies and describes 500 distinct occupations according to skill type and skill level, detailing educational requirements, job descriptions and titles.

The NOC recently underwent significant structural revisions. The new NOC 2011 will replace Statistics Canada's National Occupational Classification for Statistics (NOC-S) 2006 and HRSDC's NOC 2006. This new unified classification is expected to be implemented in spring 2012, eliminating the differences between Statistics Canada's NOC-S and HRSDC's NOC. Users of both systems requested the elimination of these differences during public consultations. While significant changes have been made to the major groups and to the NOC-S coding system, the vast majority of specific occupational groups will be comparable to those in earlier data sets.

The updated NOC 2011 will provide students, workers, employers, human resource specialists, and others with a common and consistent understanding and description of the entire range of occupational activity in Canada.

In 2010/11, according to HRSDC's Web Statistics site, the NOC 2006 web site **(http://www5.hrsdc.gc.ca/NOC/)** received over 128 million hits and over 7 million visits.

2.3.2 Essential Skills Research Project

The Essential Skills Research Project (ESRP) led to the development of a series of profiles, which describe how the nine essential skills (i.e., reading, document use, writing, numeracy, oral communication, thinking skills, working with others, computer skills and continuous learning) are used in workplaces and workplace learning across Canada.

In 2010/11, the essential skills profiles were completed and were posted online. The content of the essential skills profiles has been integrated into the reports produced via the Working in Canada (WiC) web site **(http://www.workingincanada.gc.ca)**.

2.4 National Essential Skills Initiative

The main priority of the National Essential Skills Initiative is to improve the levels of literacy and essential skills of adult Canadians in order to achieve the Government of Canada objectives set out in the Advantage Canada framework: to create the best educated, most skilled and most flexible workforce in the world. At the national level, Literacy and Essential Skills (LES) programming contributes to productivity and economic competitiveness.[29]

NATIONAL OCCUPATIONAL CLASSIFICATION MATRIX 2006

	1 BUSINESS FINANCE AND ADMINISTRATION OCCUPATIONS
	2 NATURAL AND APPLIED SCIENCES AND RELATED OCCUPATIONS
0 **MANAGEMENT OCCUPATION**	**3** HEALTH OCCUPATIONS
SKILL LEVEL A Occupation usually require university education.	**4** OCCUPATIONS IN SOCIAL SCIENCE, EDUCATION, GOVERNMENT SERVICE AND RELIGION
SKILL LEVEL B Occupations usually require college education or appreciation training.	**5** OCCUPATIONS IN ART, CULTURE, RECREATION AND SPORT
SKILL LEVEL C Occupations usually require secondary school and/or occupation-specific training.	**6** SALES AND SERVICE OCCUPATIONS
SKILL LEVEL D On-the-job training is usually provided for occupations.	**7** TRADES, TRANSPORT AND EQUIPMENT OPERATIONS AND RELATED OCCUPATIONS
	8 OCCUPATIONS UNIQUE TO PRIMARY INDUSTRY
	9 OCCUPATIONS UNIQUE TO PROCESSING, MANUFACTURING AND UTILITIES

[29] Statistics Canada, *International Adult Literacy Survey: Literacy scores, human capital and growth across fourteen OECD countries* (Ottawa: Statistics Canada, 2004), Cat. No. 89-552-MIE.

WHAT ARE THE BENEFITS OF INVESTING IN ESSENTIAL SKILLS?
Increased Productivity
Enhanced Workplace Efficiencies
Increased Competitiveness
More Vibrant and Engaged Workplace
Better Workplace Health and Safety
Better Team Preformance
More Highly Skilled Workplace

Through Essential Skills Workplace Service (ESWS), Essential Skills Workplace Literacy (ESWL) projects and Essential Skill Profiles, federal investments have levered significant contributions from employers, provinces and territories. Twenty-three EI projects, with expenditures totalling $11.5 million, have encouraged a large and growing body of employers to incorporate essential skills training and assessment tools into their human resource planning. Further, the development of tools and models through these projects may lever and/or increase provincial/territorial investments in labour market programming, as well as federal Aboriginal and immigrant programming related to literacy and essential skills.

Demonstration Project to Test Literacy and Essential Skills Intervention in the Workplace

Start Date: February 15, 2010 End Date: February 14, 2013

HRSDC Contribution: $6.2 million to the Social Research and Demonstration Corporation

This demonstration project is testing the effectiveness of a LES workplace-based intervention.

Research question: Does workplace LES training close workers' skills gaps and improve job performance in ways that support individuals and meet firm objectives?

Specifically, the experiment will examine the following:

- the effect of workplace LES training on improving LES levels of workers, and how these effects vary with the type of worker (e.g., demographic characteristics, age, gender, immigrant status), the nature of workers' skills gaps and the firm's LES delivery model/practice;
- the effect of raising LES levels of individual workers on indicators such as job performance, wage growth, job stability, satisfaction with work, participation and completion of other training;
- the effect of raising firm-wide LES levels on indicators such as productivity or error rates, employee retention, and health and safety; and
- the benefits and costs of LES training for individual workers (who invest personal time), firms and governments (which both partially cover the costs of training).

2.5 Reducing Barriers to Labour Market Mobility

In 2010/11, HRSDC invested $1.8 million in the Labour Mobility Initiative. This initiative supports activities and strategies aimed at reducing and eliminating interprovincial mobility barriers, particularly in regulated professions and trades. This should make it easier for workers, including foreign-trained workers, to carry out their occupation anywhere in Canada.

Sustained federal investments, along with technical expertise provided to regulated professional occupations and associations of regulators, help regulatory authorities remove barriers to labour mobility, as set out in the amended Chapter 7 (Labour Mobility) of the Agreement on Internal Trade (AIT).

In 2010/11, federal investments helped regulatory authorities reduce barriers to labour mobility in two areas. In the first area—moving toward common standards—funding enabled a national consortium of regulators to develop common and transferable regulatory practices, such as competency-based standards and assessment methods, across all jurisdictions. In the second area—sustaining labour mobility beyond 2011—funding supported the development of mechanisms to sustain interprovincial mobility. A forum for key stakeholders (educators, unions, regulators, employers and governments) shared best practices on interprovincial recognition of workers, addressed labour mobility, and focused on foreign qualification assessment and recognition issues facing regulated professions.

3. Innovative Solutions to Reducing Risk

Research and Innovation (R&I) funding supports organizations that are carrying out research and demonstration projects designed to test potential improvements to EBSM program design. These projects attempt to identify more efficient ways to deliver EBSMs, before the Government of Canada invests in a new initiative. Pan-Canadian R&I received $6.0 million in 2010/11.

3.1 Pan-Canadian Innovations Initiative

With expenditures totalling $2.9 million, Pan-Canadian Innovations Initiative (PCII) projects tested and developed new approaches to helping persons prepare for, obtain or maintain employment, and become productive participants in the Canadian labour force. PCII provided funding to eligible recipients for time-limited, research-oriented projects.

This initiative was conducted in partnership with provinces and territories, with the goal of removing barriers to full labour market participation by immigrants, Aboriginal people and other underrepresented groups. Projects encouraged governments and stakeholders to test creative ways to incrementally improve existing programs. In all cases, the projects met this objective by testing innovative approaches to removing barriers to employment, as well as by answering policy research questions.

Pan-Canadian Programming in Action: Reducing Barriers to Labour Market Mobility

Moving toward common standards

Regulatory authorities for para-medicine have identified strategies to address jurisdictional differences in licensing requirements and occupational standards. Through their current project, they have begun implementing their strategies to reconcile differences among jurisdictions by identifying four common levels and designations of practitioners, achieving consensus on a common national occupational competency profile, and developing a national exam blueprint to ensure greater mobility of practitioners across Canada.

Sustaining labour mobility beyond 2011

The Canadian Network of National Associations of Regulators (CNNAR) held a national forum on mobility in fall 2010. Recognizing that national regulatory organizations have a critical role to play and that organizations can learn from each other, CNNAR organized the forum to provide information, share best practices, and discuss progress on the implementation of the Agreement on Internal Trade, common challenges, and the implications of the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications. Forum attendees included representatives of national, provincial and territorial regulatory authorities; federal government representatives; and labour mobility coordinators.

Pan-Canadian Programming in Action: PCII

- Grand River Employment and Training's Workforce Connections project designed and implemented a three-year pilot. It tested the impact of culturally specific employment readiness training and other cultural interventions on labour market retention rates for 225 youth and social service recipients from Six Nations in the Grand River Territory of Ontario. At the end of the project, 209 out of 244 trainees enrolled in the employment readiness course had completed the program. In addition, 129 trainees had obtained a job placement, and 65 of them were retained by their employer following the placement period.
- In New Brunswick, Skills Canada's Partners Building Futures (PBF) project aimed to integrate 60 women on social assistance into the labour market. A program prepared and supported them to enter an apprenticeship program leading to potential job opportunities and work placement. The program included a 10-week pre-employment work skills module; access to an apprenticeship program; and support to help them overcome their barriers to completing the training program. At the end of the project, 49 out of 60 research subjects (82.0%) had completed pre-employment training, 10 had registered in an apprenticeship program, seven were completing one year of apprenticeship and eight were employed in the trades.

The outcome of these projects will enable the federal government to improve EI measures by informing the design and development of more effective policies and programs. This supports the long-term goal of ensuring a sustainable EI system.

In recent years, there has been less demand for PCII due to the provinces' and territories' focus on local priorities, and the supplementary funding available under Labour Market Agreements (LMAs) and Labour Market Development Agreements (LMDAs).

The Government of Canada's focus on stimulus programming in the past few years, led to a re-prioritization of budgetary spending, both across Government and within HRSDC. As a result, PCII funding budgets were reduced in past few years. Investments under this initiative still led to positive research results, helped improve service delivery, and conveyed valuable knowledge to the provinces and territories.

Although HRSDC is not actively encouraging new submissions under PCII, it has maintained the authority to respond to changing circumstances. Provinces and territories may develop their own initiatives under the R&I Support Measure using their LMDA funds.

4. Supporting Agreements with Provinces, Territories and Aboriginal People

This portion of the pan-Canadian activities ensures that the provinces and territories have proper systems support and connectivity to transfer administrative data after the implementation of a transfer agreement. Total expenditures for this pan-Canadian activity reached $12.3 million in 2010/11. This essential portion of the pan-Canadian initiative ensures the tracking of administrative data on the LMDA programming that all the provinces and territories now deliver. HRSDC then uses the administrative data to ensure Canadians get value for money.

4.1 National Employment Service Initiatives

HRSDC administers three national employment services to help Canadians find suitable employment—Job Bank, WiC and LMI. These services connect job seekers and employers, and help individuals complete their return-to-work action plans. Job Bank, WiC and LMI are available online to all Canadians, free of charge. Since clients access these services on a self-serve basis with no registration required, data on results for these services are challenging to collect and to attribute to specific interventions.

Job Bank, WiC and LMI are designed to improve the way information about jobs and the labour market is disseminated by reducing duplication, improving the quality of information, and making online information more accessible and easier to use.

4.1.1 Job Bank

HRSDC maintains Job Bank in partnership with the provinces and territories. This electronic labour exchange fosters efficient and inclusive labour markets by connecting job seekers and employers. Job Bank listings are organized according to the National Occupational Classification system, which standardizes all occupational descriptions in Canada. Job Bank also provides specialized tools to help job seekers and employers connect, and to match skills with demand. These tools include the Résumé Builder, Job Match, Job Alert and Career Navigator. In addition, the bilingual site provides users with information on acquiring the skills needed to manage their career.

In 2010/11, Job Bank hosted more than 110 million visits to its web site and provided access to over 1 million online job postings. The number of new user accounts declined by 28.1%, moving from 36,595 in March 2010 to 26,309 in March 2011. Meanwhile, the number of job orders increased by 17.1% in 2010/11 compared with 2009/10. Each day, this service sends more than 72,000 job alerts to notify job seekers of potential employment opportunities, for a total of over 26.3 million alerts in 2010/11.

As of March 2011, more than 128,000 employers were using Job Bank for Employers and 319,000 job seekers had accounts. The Job Match tool was used 13,677 times by employers to find suitable candidates and 137,819 times by job seekers to find jobs corresponding to their skills.

In 2010/11, the top five occupational groups advertised on Job Bank were retail employees, nannies, cooks, truck drivers and food court attendants. These five groups accounted for 11.0% of all jobs advertised.

According to one client,
"It's easy to navigate, updated regularly and you can apply to everything you're interested in a single sitting. It's a terrific service."

For more information on Job Bank, please visit **http://www.jobbank.gc.ca/**.

4.1.2 Working in Canada

The Working in Canada (WiC) web site is HRSDC's single integrated site for LMI resources and HRSDC's contribution to the Going to Canada Immigration Portal initiative **(http://www.workingincanada.gc.ca/)**.

WiC provides users with current occupational and career information, accessible through an occupational search, a skills and knowledge checklist, and an educational program search. WiC leverages information from 23 sources, including Job Bank, and can generate more than 32,000 unique LMI reports based on a client's occupation and location. WiC reports present targeted, comprehensive information on job postings, wage rates, employment trends and outlooks, licensing and certification

requirements, job skills, and relevant educational and training programs for a particular occupation at regional, provincial and national levels.

There were over 2.5 million WiC reports generated in 2010/11, bringing the total number of reports to over 3.9 million since WiC was launched.

4.1.3 Labour Market Information

The LMI service delivers accurate and reliable LMI to individuals and employers to help them make informed labour market decisions. LMI helps workers with career management and job search by providing occupational and skills information. It assists employers to recruit, train and retain workers, and make business and investment decisions, by providing information on wages and on labour supply and demand.

A regional LMI network of analysts and economists identifies labour market trends by continually monitoring and analyzing socio-economic data and events. LMI staffers also work with stakeholders—including employers, educational institutions and other levels of government—to ensure that clients have access to high-quality LMI. The LMI products meet a national standard and identify trends at the community, occupational and industrial levels. This information is available for locations across the country at **http://www.workingincanada.gc.ca**.

5. Labour Market Information

5.1 Measuring the Impact of Labour Market Information

In fall 2008, HRSDC, in partnership with the LMI Working Group of the Forum of Labour Market Ministers (FLMM), initiated a research program to develop a better understanding of the impact of LMI. The program will end in 2012. Expenditures for this research program were $1.1 million in 2010/11, and $987,000 has been committed for 2011/12.

Since then, seven small experiments have been launched to examine what types of LMI content and delivery mechanisms work best and for whom. The experiments are assessing the impacts of LMI on variables such as confidence and attitudes toward the labour market; on decision-making related to studying, training, career and job choices; and on employment outcomes. These experiments were conducted in several provinces with diverse clienteles, such as immigrants, job seekers and displaced workers. Over a thousand clients have participated in these projects. Preliminary results drawn from three of the experiments demonstrate the following:

- Packaging and organizing LMI according to labour market needs, such as job seeking activities and the career decision-making process, produced better results.
- When providing information on a given occupation, we should present information on the following: the qualifications and certification needed, ways to obtain relevant training, salaries, and potential employers.
- When delivered in a career development service delivery context, LMI has a positive impact on intermediate outcomes, as observed shortly after the intervention. These outcomes included skills and knowledge in the acquisition and use of LMI; increased levels of self-sufficiency and confidence in seeking jobs and making career decisions; and clearer job search goals.

Preliminary results have been presented to several fora within HRSDC at the policy and LMI delivery levels, and to career development practitioners' conferences in Canada and abroad—namely, those organized through the British Columbia Career Development Association, the International Association for Educational and Vocational Guidance, and Cannexus.

In addition, HRSDC invested $3.2 million to create the Business Data Platform, designed to provide information on the demand/employer side of the labour market and to give Canadians better information about existing and future opportunities in the labour market, including detailed, timely, ongoing information about job vacancies.

This Business Data Platform combines surveys, administrative data, and private sector web-based information to produce new statistical data and information for Canadians on labour market pressures and workplace practices, which are currently difficult to access or unavailable. Information produced from this platform will also help the government develop policies and programs to monitor and report on trends, opportunities, shortages and other challenges in the Canadian labour market.

Career Decision-Making Project

Objective: This pilot project aimed to identify and promote best practices, as well as to enhance the quality and effectiveness of career development services by improving job searching for individuals seeking employment or vocational direction.

Using a participant-researcher approach, the study did the following:

- used real front-line service providers working with adult clients in their customary settings, as opposed to counselling interns and students in an academic setting;
- provided services to people seeking assistance with career decision-making or job search; and
- integrated interventions into existing service delivery.

Hypothesis: This approach will increase the likelihood that positive findings will be incorporated into daily service provision.

Results: As a result of their participation in the study, the two provinces taking part in the experiment adopted positive changes, as well as an improved scheme based on the four employability criteria put in place:

- know yourself;
- know about occupations;
- know the labour market; and
- set goals and make action plans.

Due to its innovative solutions, the research project was nominated by a provincial department for the Premier's Award of Excellence in the Public Service.

Lessons learned: This applied research project, which included the participation of workers in the field, produced more applicable results than typical academic studies.

In 2010/11, owing to the Business Data Platform, the following was achieved:

- developed detailed core survey questionnaires and modules on labour turnover, job vacancies, skills shortages and workplace practices, with results expected in fall 2012;
- successfully collected monthly job vacancy estimates via the Survey of Employment, Payroll and Hours;
- developed and tested informatics, data collection, and sampling infrastructure, including design specifications, applications and protocols;
- evaluated the private sector's Canadian web-based job posting information (local area measures of job postings and labour demand results were positive);
- tested information content with business focus groups;
- conducted pilot surveys;
- reported on outcomes of pilots, and implemented approved improvements to the content, application and sample to enable full data collection; and
- carried out engagement activities and developmental work on the information platform.

Due to the pilot project's positive results, HRSDC has committed to investing an additional $6.0 million in the Business Data Platform in 2011/12.

CHAPTER 5

PROGRAM ADMINISTRATION

This chapter discusses the delivery of Employment Insurance (EI) services to clients in 2010/11. Section I briefly examines the context in which EI benefits were delivered. Section II provides an overview of the delivery of EI benefits and related services by Service Canada. Section III explores the quality of EI services, including the accuracy of payments. Finally, section IV assesses the integrity of the delivery of the EI program.

I. CONTEXT

Service Canada was created in 2005 to improve the delivery of federal government programs and services to Canadians. As a dedicated service delivery organization, Service Canada offers single-window access to a wide range of programs and benefits offered by the Government of Canada, including EI benefits.

Service Canada continued to respond to higher than normal[1] volumes of EI claims as the Canadian economy continued to recover from the global recession in 2010/11. The Department also took steps to improve efficiency and meet service standards by modernizing the way EI claims are processed and consolidating processing offices.

II. SERVICE DELIVERY

1. Service Transformation

In 2010/11, Service Canada continued to invest in the design and use of technologies to support automated application processing, as well as to expand Internet services, thus improving EI service delivery to Canadians. These enhancements changed the benefits processing network and expanded its ability to respond to workload volumes, by introducing more standardized processes and increasing levels of automation. These innovations contributed to more accurate, consistent and timely services for Canadians.

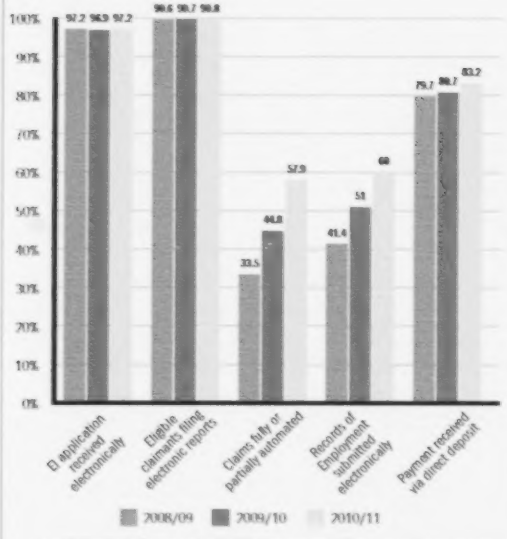
Since electronic EI applications were implemented in 2001/02, their proportion has steadily increased, from 17% of all applications that year to 97.2% in 2010/11. Moreover, in the most recent fiscal year, 99.8% of eligible claimants filed their biweekly reports electronically, and 57.9% of all initial and renewal claims were partially or fully processed by automated means. In 2010/11, employers submitted 60% of their Records of Employment (ROEs) via online services, and 83.2% of clients opted to receive their EI benefit payments via direct deposit.

In 2010/11, Service Canada implemented a new process that creates an electronic image of paper documents, giving staff across Canada access to this client information, irrespective of an employee's or client's location. Furthermore, Service Canada finished implementing a workload management system that automatically distributes EI processing tasks to available staff members across the country, according to their availability and their specific competencies.

[1] The baseline level for EI claim volume, established in 2007/08, is 2.6 million.

CHART 1

Use of Electronic Services



Source:
EI Administration Data.

2. EI Services for Individuals

In 2010/11, Service Canada used cost-effective marketing initiatives to encourage Canadians to serve themselves, thereby reducing pressure on front-line staff. Online, clients can access information and apply for programs and benefits at their convenience, without any interaction with a Service Canada employee. Marketing activities and products to encourage self-service included outreach to stakeholder organizations to raise the profile of EI special benefits now available to self-employed people; seven Web videos directly related to EI programs and services; improvements to web site content and tools; handouts to promote EI programs; and telephone scripts used by call centre agents to provide up-to-date information on programs and services. The unique benefits of servicecanada.gc.ca were promoted. So were tools such as the Benefits Finder, which generates a customized list of federal and provincial programs and services based on the user's individual needs; ROE Web, a secure Web-based application that enables employers to create, submit and print 53-week ROEs via the Web; the My Service Canada Account (MSCA), a single point of access where users can view and update their EI, Canada Pension Plan (CPP) and Old Age Security (OAS) information; and the Finding a Job page, which features tools to help users search job listings, create a résumé, choose a career and highlight their skills. Tools for staff and clients include a network of 177 digital display screens, located in 155 Service Canada Centres, which feature messages, tools and supports to raise the profile of online self-serve options.

An internal evaluation of marketing strategies and Web usage shows that:

- After improvements were made to the *Finding a Job* landing page, monthly visitors increased from 14,000 to approximately 500,000 and maintains this monthly viewership. To complement the landing page improvements, the Web Promo Boxes, which feature timely and relevant information for clients, have a monthly visit base of about 4 million Canadians.
- In fiscal 2010/11, almost 300,000 Web videos were viewed by clients, 62% of whom said, in web intercept surveys, that they were able to complete their transactions seamlessly after watching the videos. Additionally, over half (52%) of respondents indicated that they would not have to contact Service Canada by phone or in person because of the information provided in the videos.
- Digital display exit interviews revealed a combined recall rate of 49%, along with a 47% recall rate of the Service Canada Web address among clients who watched the display. It was also found that the content on the Digital Display Network provided enough impact to cause 45% of respondents to indicate that they would visit the Web site first before visiting an SCC or calling the next time.

To reflect the results of the internal evaluation of marketing strategies and Web usage in 2010/11, marketing activity continued to emphasize online methods and self-service tools to provide Canadians with more convenient, user-friendly access to federal government services. In the future, additional product improvements, such as a plain language review of Web content, publications and letters, more videos, digital display messaging, further improvements to the website and a successful social media pilot will enable clients to complete transactions even more efficiently.

2.1 EI Special Benefits for Self-Employed People

Since January 2010, self-employed individuals who are Canadian citizens or permanent residents have been able to voluntarily enter into an agreement with the Canada Employment Insurance Commission to participate in the EI program for access to special benefits, which include maternity, parental, sickness and compassionate care benefits. Self-employed individuals have been able to apply for EI special benefits since January 2, 2011. As of March 31, 2011, a total of 7,114 self-employed individuals had registered with the EI program. Claims from self-employed people are processed in one national specialized centre to promote service excellence.

2.2 Claims Processing

In 2010/11, Service Canada received 2.91 million EI applications. Although this represented a 9.2% reduction from the level in the previous fiscal year, the volume of claims remained high compared to the baseline volume of 2.6 million claims. Speed of Payment, a key performance indicator, is defined as the percentage of initial and renewal claims for which the Department sends a payment or non-payment notification to the claimant within 28 days of the date of filing. Speed of Payment is affected by benefit applications that are missing information or that require clarification of information as well as varying levels of complexity that necessitate fact finding with employers as well as third parties in order to render a fair and equitable decision. The volumes of claims can fluctuate dramatically from week to week, resulting in a large percentage of claims being automated during peak intake weeks which causes the performance indicator to rise sharply. Following a peak intake, the residual volume of complex claims requiring manual intervention may result in a dip in the Speed of Payment results. In 2010/11, Service Canada was funded through the Economic Action Plan to maintain 80% speed of payment on a monthly basis. Service Canada achieved an average speed of payment of 83.9%, with all regions of the country within 2.1% of the national outcome.

Service Canada continued to meet EI claims processing service expectations by advancing its National Service Delivery Model. The ability to seamlessly move work across the country provided the opportunity to manage the workload at the national level and ensured consistent and equitable service to all EI clients.

In 2010/11, Service Canada fully implemented a new workload management system, a key factor in maximizing automation efficiencies. Under this system, the Department only assigns staff to EI claims that require human intervention due to their complexity or to a discrepancy between two sources of information. This new tool has enabled Service Canada to provide a more balanced level of service across the country by efficiently moving work to the next available agent across a secure national network.

2.3 Information and Enquiries

The Click, Call or Visit strategy was one of the Government of Canada's commitments when Service Canada was introduced in 2005. Canadians click, call or visit to discover the wide range of programs and services available to them. Through the Service Canada network, Canadians can receive the help they need on the Internet, by telephone, in person or by mail.

2.3.1 By Internet (Click)

The Service Canada website offers information on a wide variety of government programs and services, including on-line services and forms, all designed to help users find the service that they need. After a 67% growth in traffic from 2008/09 to 2009/10, growth by a further 21.5% in 2010/11 brought total annual visits to approximately 67 million.

The EI section of the online My Service Canada Account (MSCA-EI) on the Service Canada website enables clients to view information on their current and previous EI claims. In addition, MSCA-EI provides links to other electronic services, such as the Internet Reporting Service, which allows clients to submit their EI reports using the Internet. To receive EI benefits, claimants other than those receiving maternity, parental, compassionate care, apprenticeship training or Work Sharing benefits must complete and submit biweekly reports to demonstrate their continuing entitlement. The Internet Reporting Service allows claimants to do so easily over the Internet.

Through MSCA-EI, Canadians can perform the following actions on their account:

- view their EI messages, payment information and claim information;
- view and change their EI direct deposit details, mailing address and telephone number;

- view and print their EI, Canada Pension Plan (CPP) and Old Age Security (OAS) tax slips;
- view and change their client CPP and OAS payment destination, address and telephone number;
- view and print their CPP Statement of Contributions and Benefit Estimate;
- view their E-ROE; and,
- register in the EI program for access to special benefits (for self-employed persons).

Logins to the MSCA of the Service Canada website increased by almost 48.6% in 2009/10 from the previous year, and increased again by another 8% in 2010/11, when Canadians logged onto MSCA 15.9 million times. An estimated 92% of the activity on MSCA was related to EI functions. Approximately 27% of EI clients access MSCA for information.

2.3.2 By Telephone (Call)

From within Canada and the United States, Canadians can call the 1 800 O-Canada line Monday to Friday for general enquiries. For callers in Canada, service is available from 8:00 a.m. to 8:00 p.m. in each time zone. From the United States, service is available from 8:00 a.m. to 8:00 p.m. Eastern time. Service is provided in English and French. In 2010/11, 1 800 O-Canada answered 1.9 million calls, of which more than 381,800 were for EI general enquiries. While call volumes for 1 800 O-Canada have remained relatively constant from 2008/09 to 2010/11, EI call volumes increased by 17% from 2008/09 to 2009/10 and then by 25% into 2010/11.

For client specific enquiries, clients have access to EI information around the clock via an automated telephone information system. In addition, citizen service officers (CSOs) in call centres are available to respond to case specific enquiries from 8:00 a.m. to 8:00 p.m. local time, Monday to Friday. In 2010/11, citizen service officers (CSOs) in EI call centres answered 6.8 million client enquiries.

Steps were also taken in 2010/11 to enable call centre agents to resolve more client enquiries at the first point of contact. Experienced call centre agents were trained to resolve a select number of transactions that traditionally would have been done by processing staff. As a result, a number of client enquiries are now resolved the first time the client contacts an EI call centre. Service Canada began this service level expansion in December 2010 and will complete the full rollout by December 2011.

In addition, registration and authentication help desk officers are available to assist EI clients who have difficulty accessing MSCA online products and services, such as electronic EI and tax information slips, due to a mismatch between the information supplied and the data on record (i.e., EI access code, social insurance number [SIN] or date of birth).

2.3.3 In Person (Visit)

Service Canada has more than 600 in-person points of service (Service Canada Centres, Scheduled Outreach Sites and Service Canada Community Offices). Over 6.6 million Canadians visit an in-person point of service each year across the country.

During the Canadian economic recovery, citizen service specialists delivered EI information sessions to employers and workers across the country through Mobile Outreach Services. Mobile Outreach Services are services delivered in person, on an ad hoc basis, in various locations. If travel is not feasible, services can be provided by telephone. Services can be delivered in a group setting or one on one. Clients' information needs are assessed by Mobile Outreach employees and services tailored to the group or individual.

The Rapid Response (RR) initiative was launched as part of the Economic Action Plan. The Client Information Session (CIS), a service offering of the RR initiative, was developed to inform long-tenured workers (LTWs) of the federal and provincial supports available to help them return to work, advance in their career or change jobs. In a CIS, participants learn about online tools that provide information on career options and skills development. They also get information on job posting sources and training resources. The objective of the CIS is to quickly make LTWs aware of the skills development and job search assistance available so that they are in a good position to move toward re-employment.

Between September 30, 2009, and July 30, 2010, Service Canada sent 173,159 invitations to LTWs. During that period, 1,914 sessions were scheduled with 16,084 participants, 11,844 of whom actually attended a session. The sessions generated 26,356 client calls. Client intake for this initiative ended on May 29, 2010. In order to accommodate all clients, the sessions continued into July.

In addition, Service Canada Centre staff answered 5.6 million EI-related requests, plus another 81,850 EI requests during Scheduled Outreach in 2010/11. Scheduled Outreach Sites offer, on a predetermined basis (e.g. every Wednesday from 1:00 to 4:00), all the services that are available at a Service Canada Centre. Hours of operations of Service Canada offices are posted under "Find a Service Canada Office" at: **http://www.servicecanada.gc.ca/cgi-bin/hr-search.cgi?app=hme&ln=eng**

Between April 2010 and March 2011

- 2,031 EI information sessions with a total of 39,605 participants were provided to employers; and
- 2,479 EI information sessions with a total of 60,142 participants were provided to workers.

During the same period, citizen services specialists participated in

- 18 fairs, exhibits or kiosks for employers, providing EI general information to 1,203 participants; and
- 92 fairs, exhibits or kiosks for workers, providing EI general information to 12,207 participants.

3. EI Services for Employers

In response to the Red Tape Reduction Commission—tasked with identifying irritants to businesses arising from federal regulatory requirements—Service Canada is examining the most efficient and cost-effective method of reducing the ROE administrative burden on employers. The E-ROE is a key way to reduce this burden, as employers no longer need to order or store paper ROE forms, retain copies on file, or send copies to Service Canada or to their employees. This saves employers time and lowers administrative costs.

In 2010/11, Service Canada continued to market ROE Web—a web-based system for filing E-ROEs—to the business community, in order to support payment of EI benefits in a timely, efficient and accurate manner. In addition, this initiative ensured that businesses were aware of changes to the EI Regulations that came into effect on March 15, 2009. It also reduced the administrative burden on employers, by aligning the issuance of E-ROEs with an employer's payroll cycle and removing the requirement for employers to issue paper copies of E-ROEs to employees. Through MSCA, clients can view and print their E-ROEs or confirm receipt of paper ROEs.

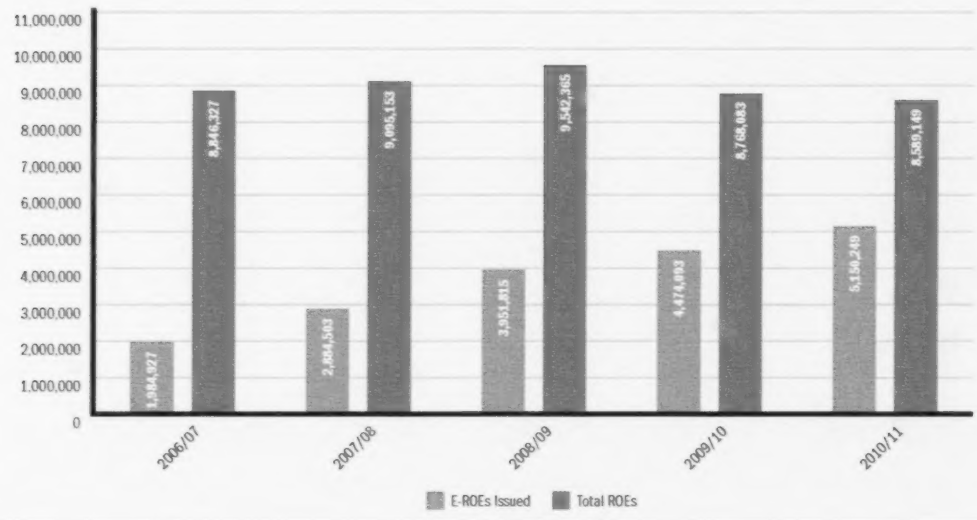
By the end of 2010/11, a total of 240,828 employer businesses, including 55,539 new businesses (1,074 of which were small or medium-sized payroll service providers), had registered for E-ROE products. These include ROE Web and ROE Secure Automated Transfer (SAT), a secure communication line designed to allow large payroll service providers or businesses to submit large volumes of ROEs simultaneously. Consequently, the majority of ROEs (60% or 5.2 million) were submitted to Service Canada electronically, a 15% increase over the previous year.

The ROE Web Business Service Centre Help Desk (BSCHD), in Bathurst, New Brunswick, assists employers with technical and registration issues related to ROE Web. In 2010/11, the BSCHD handled 153,873 inbound and outbound employer calls, including calls to assist newly registered businesses.

Service Canada continued to move forward with the Employer Contact Centre (ECC) initiative in 2010/11. The ECC initiative streamlines multiple program and regional points of contact for employers by consolidating them into a single telephone number. The ECC telephone number replaces more than 100 local and toll-free Service Canada telephone numbers related to the use of ROE Web, orders for paper ROEs and guidance on completing ROEs. The ECC also delivers services through the Data Gateway system, a secure tool employers can use to transmit information to Service Canada for Work Sharing and integrity activities.

CHART 2

Percentage of E-ROEs Issued



Source:
EI Administration Data.

4. Appeals of EI Decisions

The EI appeals process provides claimants and employers with a means to challenge, before an independent, external authority, an administrative decision that they believe was made in error or with which they are dissatisfied. There are two levels of appeal under the *Employment Insurance Act*: boards of referees and umpires. Further recourse is available at the Federal Court of Appeal and, finally, at the Supreme Court of Canada.

A board of referees is an independent, impartial tribunal. Each three-member panel consists of a chairperson appointed by the Governor-in-Council, a member appointed by the Commissioner for Employers and a member appointed by the Commissioner for Workers. Approximately 900 part-time board members hear appeals in 83 board centres across Canada.

In 2010/11, boards of referees heard 26,769 appeals, 48.2% of which were scheduled on a hearing date that fell within 30 days of receipt of the appeal notice. Boards' decisions are normally issued within seven days of the hearing. Approximately 22% of the cases heard by boards resulted in a reversal of the Department's decisions.

Claimants, employers, and claimant and employer associations, as well as the Commission, can appeal a board of referees decision to an umpire—an independent, administrative tribunal. Some 20 to 40 Federal Court judges or retired provincial superior court judges sit alone as umpires and hear cases across Canada.

In 2010/11, 1,827 client appeals to umpires were filed; the Department prepared and sent 97.6% of the client appeal dockets to the Office of the Umpire within 60 days of receiving the appeal notice. In addition, the Commission filed 496 appeals to umpires. Approximately 14% of the decisions rendered by umpires were favourable to the client.

Claimants, employers and the Commission can seek judicial review of an umpire's decision at the Federal Court of Appeal. In 2010/11, the Federal Court of Appeal rendered 34 decisions on cases related to EI benefits, 35% of which were favourable to the client. The Supreme Court of Canada did not issue any decisions related to EI.

III. QUALITY

1. Payment and Processing Accuracy

The accuracy rate of EI benefit payments is measured by the National Payment Accuracy Review (EI PAAR). EI PAAR consists of a random sample of 500 EI claims per year that are reviewed twice. Each review provides detailed information on the causes and dollar value of undetected errors at the time of adjudication. Errors include overpayments and underpayments attributable to three sources: claimants, employers and Service Canada (See Table 1 below). EI PAAR determines the "most likely" value of incorrectly paid benefits, and the results are used to improve program delivery and sustain program integrity. The Office of the Auditor General (OAG) uses EI PAAR results in its annual audit of the EI Account and reports the results as part of the Public Accounts of Canada each year.

The EI payment accuracy rate decreased from 96.1% (or 3.9% error rate) in 2009/10 to 94.0% (or 6.0% error rate) in 2010/11 (the established payment accuracy indicator for the EI program is 95%).

Based on the EI PAAR results, the rise in the error rate to 6.0% is likely attributable to two sources:

1) An influx of many first time clients to the EI program (which impacts the rate of claimant errors). Effectively, the EI client base changed during this recession cycle with the addition of long-tenured workers, who are likely unfamiliar with EI reporting requirements. In difficult economic times, the proportion of claimants familiar with the EI program declines from an approximate 30% to 20%, consequently resulting in a rise in claimant errors. The results reveal that two claimant errors—failure to report earnings and non-availability for work while in receipt of benefits—represent 79% and 21% respectively of all claimant errors; and,
2) The rapid hiring of over a thousand new staff (under the Economic Action Plan) to handle volume associated with the downturn in the economy. Many of these new hires had no former knowledge of the complex EI program and may have received shorter than usual training (which impacts the Service Canada error rate).

While claimant errors have increased, employer errors have decreased by 0.33%. This improvement may be attributable to the increasing number of employers transmitting ROE forms electronically to Service Canada through ROE Web. This on-line application contains smart edits to prevent errors when completing these forms. The higher intake of electronic ROEs also reduces errors from transcribing paper ROEs into our systems by staff.

While this spike in the 2010/11 error rate warrants close monitoring, this situation is not alarming as the rate is still within a reasonable range based on historical EI PAAR results. Over the last 15 years, the payment accuracy rate has hovered around the established 95% target (error rate of 5.0%). The last time the error rate hit the 6.0% mark (94.0% accuracy) was in 1997, following the last major EI reform in 1996.

TABLE 1
EI National Payment Accuracy Review Errors, by Source

Source	2009/10	2010/11
Employer	$281.7 million (1.44%)	$197.1 million (1.11%)
Claimant	$267.5 million (1.37%)	$530.4 million (2.98%)
Service Canada	$220.9 million (1.13%)	$340.9 million (1.92%)
Most Likely Total Value of Mispayments	$770.1 million	$1.1 billion
Total EI Payout	$19.6 billion	$17.8 billion
Error Rate	3.9%*	6.0%*
Accuracy Rate	96.1%*	94.0%*

*Results have been rounded to the first decimal.

The EI National Processing Accuracy Review (EI PRAR) comprises a review of a random sample of approximately 30,000 initial, renewed and revised claims per year and verifies that applications for benefits are adjudicated and calculated in accordance with operational policies and procedures. The EI processing accuracy rate refers to the level of compliance with EI operational policies and procedures in claims-processing activities. In 2005/06, Service Canada implemented a processing accuracy indicator to

measure the percentage of initial claims "in order," with an objective of 80%. A claim is considered to be "in order" when all criteria relevant to the review of the claim have been met. In 2010/11, the processing accuracy rate rose to 88.8% from 87.9% in the previous fiscal year. Service Canada develops a national quality action plan each year to ensure continued processing improvements. The plan focuses on the three errors that occurred most frequently across the country in the previous fiscal year, as well as one or two regionally identified areas for improvement.

2. Information and Transaction Accuracy

The National Quality Assurance (NQA) Program was introduced in EI call centres in 2008/09. Its goals are as follows:

- ensure quality of service to clients;
- identify training needs and opportunities for improvement; and,
- provide ongoing feedback and support to employees.

Following an evaluation of the program in 2009/10, the NQA Program was modified in September 2010 to streamline and better define the criteria and scoring categories used to evaluate the quality of calls consistently across Canada.

Some of the NQA Program improvements included:

- Criteria were better defined, resulting in additional distinct elements to evaluate. For example, the previous "active listening" criterion was broken down into three new distinct criteria resulting in further scoring adjustments.
- Criteria and scoring definitions were clarified with additional notes and several examples to help better determine what scoring category should apply.
- Overall, the scoring categories and values were adjusted to better reflect the importance of each element in the overall quality of the call.

A total of 15,978 calls were monitored in 2010/11. Third and fourth quarter results under the revised program were 87% against a target of 80%.

3. Insurability

The Minister of National Revenue is responsible for the administration of Part IV (Insurable Earnings and Collection of Premiums) of the *Employment Insurance Act*. This responsibility includes the issuance of rulings regarding the insurability of employment, the number of insurable hours and the amount of insurable earnings, as requested by Service Canada.

Service Canada requests rulings from the Canada Revenue Agency (CRA) when a claim for EI benefits has been filed and the insurability of employment, the amount of insurable earnings or the number of insurable hours is in question. It does so to ensure that the claimant receives the amount of EI benefits to which he or she is entitled. The CRA aims to issue a ruling within 15 calendar days when payment of a claim is pending and within 31 calendar days when payment is not pending. In 2010/11, Service Canada requested 11,502 rulings from CRA, a 5.6% decrease from 2009/10.

IV. INTEGRITY

Given the large scale of the EI program, Canadians expect sound stewardship and accountability for the program's integrity. HRSDC maintains a balance among detection, deterrence and prevention activities. The Integrity program focuses on detection activities using a variety of programs and systems, such as Computer Post Audit (CPA), Report on Hirings (ROH) and Automated Earnings Reporting Systems (AERS). In addition, Service Canada carries out education and prevention activities, such as Claimant Information Sessions. These activities inform claimants, employers and the general public about EI requirements and the consequences of abusing the EI system, such as penalties or prosecutions.

In 2010/11, Service Canada held 10,607 Claimant Information Sessions (CIS) attended by 125,241 claimants. Service Canada also conducted 505,959 investigations into suspected client error and fraud. Combined, these activities resulted in a total of $461 million in program expenditure reduction savings. These savings consist of recovered overpayments and associated penalties, as well as the discontinuation of ineligible payments.

1. Integrity Quality Initiatives

A national quality team, which is specific to Integrity Operations in the regions, helps ensure consistent quality management of regional Integrity units and the investigative work performed. Its work includes ensuring that every region has quality advisors and coordinators, incorporates quality management plans in business planning, and conducts consistent monitoring. National Headquarters makes regular monitoring visits to regional Integrity units to evaluate Integrity program activities.

Service Canada has taken significant steps to implement a quality management and reporting system for the social insurance number (SIN) program's database, the Social Insurance Register (SIR). Since 2007, it has measured the accuracy rate of all data on the SIR annually. In calendar 2010, the key performance indicators for the SIR were as follows:

- the accuracy rate for vital events (birth and death data) was 97.8%; and,
- the accuracy rate for legitimate SINs issued was greater than 99.9%.

In addition, since 2008, Service Canada has implemented a quality management strategy for new updates to the SIR—specifically, those related to clients applying for a SIN or updating their SIN. In 2010/11, 99.98% of those reviewed were free of critical errors (i.e., there were no multiple SINs issued or date of birth errors made). Overall, the accuracy of the SIR is fundamental to all SIN-enabled programs, including the EI program, as the accurate identification of clients is at the foundation of ensuring benefits are paid to the correct and eligible individuals.

2. Risk Management

Service Canada is responsible for ensuring that the right amount of EI benefits is allocated to the right recipient for the intended purpose. In 2010/11, the Integrity Services Branch continued to emphasize the use of risk management strategies in its approach to investigations, to improve the overall integrity of the program and to ensure that correct payments were made to eligible claimants.

Operational risk tools were developed to help the program area identify, assess, mitigate, and monitor new and emerging risks. Compliance measures were developed to assess adherence to legislative requirements and regulations. As of July 1st, 2010, a state-of-the-art statistical model was implemented across the country to predict the areas of greatest risk in investigations. The model has resulted in an increase of approximately 30% in savings achieved per investigation in 2010/11 compared with the previous year.

Although this model currently applies only to investigations, it is expected to help the organization focus its resources in the future on preventing incorrect payments in complex cases at all phases of claim processing. New performance measures are currently being developed to assess prevention efforts. Respecting the privacy and security of clients' personal information remains a high priority throughout this initiative.

CHAPTER 6

IMPACTS AND EFFECTIVENESS OF EMPLOYMENT INSURANCE

This chapter analyzes the impacts and effectiveness of the Employment Insurance (EI) program. Section I examines EI benefits for individuals in general and for specific groups. Section II provides an overview of the EI program in the context of recent economic developments. Section III explores the effect of the EI program on work attachment. Section IV assesses the impacts of Employment Benefits and Support Measures (EBSMs). Finally, section V analyzes the status of the EI Operating Account and finances.

Annexes 3 and 7 provide the detailed EI administrative data used in this chapter, while Annex 6 outlines the main findings and methodologies of the research studies cited here. Unless otherwise indicated, numerical figures, tables and charts in this chapter are based on EI administrative data.

I. EI AND INDIVIDUALS

This section assesses the impact and effectiveness of EI from the individual's perspective. The first subsection examines the coverage of, eligibility for and accessibility to EI benefits, while the second subsection discusses the adequacy of benefits. The third subsection outlines the impact and effectiveness of benefits for groups that are of particular interest to the EI program: women; older workers and youth; non-standard workers, such as seasonal workers; low-income families; apprentices; and immigrants.

1. EI Benefits: Coverage, Eligibility and Accessibility

The EI program has specific definitions of coverage, eligibility and accessibility, and these definitions build on each other. The EI program's definition of coverage is similar to that of other insurance schemes, in the sense that paying premiums is an essential element. Individuals are considered **covered** by the EI program if they pay EI premiums. To be **eligible** for EI benefits, individuals must first be covered, have one or more valid job separations,[1] and have accumulated enough insurable hours of work before the job separation(s) occurred. Finally, to **access** EI benefits, individuals must be covered and eligible, and must meet the requirements as per EI legislation.[2]

[1] The job separation must be an involuntary termination of employment (i.e., a layoff) or a voluntary termination due to just cause. Section 29 of the *Employment Insurance Act* identifies specific circumstances that constitute just cause for voluntarily leaving employment.

[2] For example, to access regular benefits, the individual must be available, capable and actively seeking employment.

1.1 Regular Benefits

As discussed in Chapter 1, EI regular benefits provide temporary financial assistance to workers who have lost their job through no fault of their own, while they look for work or upgrade their skills, provided that they have accumulated the required number of insurable hours. In most cases, individuals require between 420 and 700 insured hours, based on the unemployment rate in the economic region where the claim is established. This feature of the EI program is called the Variable Entrance Requirement (VER). However, workers who have recently entered the labour market for the first time (new entrants) and those who have limited work experience in the last two years (re-entrants) require 910 insured hours, regardless of where they establish their claim. These two groups are collectively known as NEREs (new-entrants/re-entrants).[3] The following analysis describes the coverage, eligibility and accessibility measures for regular benefits by analyzing both the unemployed and the employed population.

1.1.1 Unemployed Population

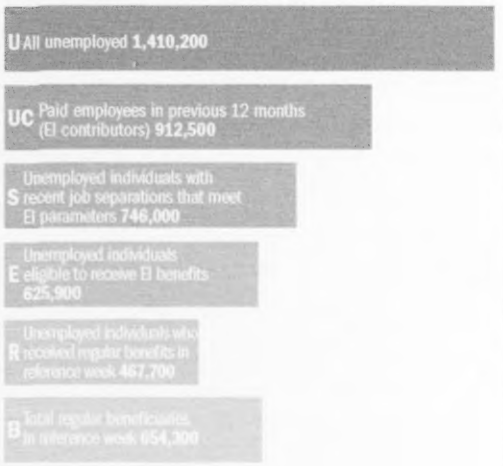
Statistics Canada's Employment Insurance Coverage Survey (EICS) provides a comprehensive picture of who does or does not have access to EI benefits among the unemployed. Data from this survey can be used to calculate a number of measures, describing who is covered, is eligible and has access to EI regular benefits among the unemployed from several perspectives. Summaries of the various coverage, eligibility and accessibility measures are presented in Chart 1, Table 1, Chart 4 and Annex 6.

1.1.1.1 Coverage

According to the 2010 EICS, there was an estimated average of 1,410,200 unemployed in Canada (shown as U in Chart 1) in 2010.[4] This represents a 4.9% drop from the 1,483,000 unemployed reported in 2009, mostly due to the improving economic conditions in 2010, as discussed in detail in Chapter 2.

CHART 1

EI Coverage, Eligibility and Accessibility Measures from the EICS, 2010


U All unemployed 1,410,200
UC Paid employees in previous 12 months (EI contributors) 912,500
S Unemployed individuals with recent job separations that meet EI parameters 746,000
E Unemployed individuals eligible to receive EI benefits 625,900
R Unemployed individuals who received regular benefits in reference week 467,700
B Total regular beneficiaries in reference week 654,300

Sources:
Employment Insurance Coverage Survey and EI administrative data.
Note: These figures are rounded.

The 2010 EICS estimated that, of these 1,410,200 unemployed individuals, 912,500 had been paying EI premiums in the previous 12 months before becoming unemployed (UC in Chart 1), representing 64.7% of all unemployed people. Those who had not been paying premiums included self-employed workers,[5] individuals who had been unemployed for more than 12 months and people who had never worked. While the proportion of unemployed individuals who contributed to EI had been fairly stable at around 70% over the past several years, this proportion decreased by 5.6 percentage points between 2009 (when it was 70.3%) and 2010. This decline occurred due to an increase in the number of long-term unemployed in 2010, attributable to the late-2000s recession. That rise increased the proportion of unemployed who had not recently paid EI premiums. According to the Labour Force Survey, 11.5% of the unemployed in 2010 had not worked during the past year compared with 7.5% in 2009.

[3] More detailed information on regular benefits can be found in Chapter 1.

[4] The Employment Insurance Coverage Survey (EICS) estimate of the number of unemployed people differs slightly from the Labour Force Survey (LFS) estimate, as the EICS is conducted quarterly while LFS statistics are collected monthly.

[5] Self-employed individuals can opt in and subsequently pay premiums for special benefits, but they are not eligible for regular benefits.

Coverage rates, the proportion of the unemployed who have paid EI premiums, vary from province to province, from 85.4% in the Atlantic provinces and 70.2% in Quebec to 66.0% in the Western provinces[6] and 56.6% in Ontario. Differences in the composition of the unemployed help explain the variation in coverage rates among the provinces. For example, in the Western provinces, 34.0% of the unemployed did not contribute to the EI program in 2010, and a further 19.9% of contributors were not eligible to receive regular benefits based on the type of job separations they had. These proportions were 14.6% and 8.0%, respectively, in the Atlantic provinces.

More specifically, Ontario (43.4%) and Alberta (37.9%) had the highest percentage of unemployed who did not contribute to the EI program in 2010, while Saskatchewan and Manitoba combined had the highest proportion (21.6%) of unemployed EI contributors with invalid job separations for the purpose of EI. British Columbia had high proportions for both ratios, at 33.1% and 20.0%, respectively.

1.1.1.2 Eligibility

The 2010 EICS estimated that among all unemployed, 746,000 had a job separation that met EI program parameters (S in Chart 1). They represented 52.9% of the unemployed (S divided by U). The remaining 47.1% of unemployed individuals fell outside of the program parameters. According to the EICS, among unemployed individuals who had been contributors and had a recent job separation that qualified under the EI program criteria, 83.9% were eligible to receive EI benefits[7] in 2010 (E divided by S in Chart 1). The remaining 16.1% of unemployed Canadians (representing 120,100 unemployed individuals) had a qualifying job separation but had not worked enough insurable hours to qualify for benefits in 2010. While the rate of eligibility decreased from 86.2% in 2009, it remained slightly above the average eligibility rate of 83.0% since 2000.

After a marked shift in 2009, the labour market and the composition of the unemployed returned to near pre-recession levels in 2010. As discussed in the *2010 Monitoring and Assessment Report*, there was a higher than usual proportion of previously permanent, full-time workers among the unemployed in 2009 as a result of the late-2000s recession. This proportion has increased sharply in recent years, from 42.8% in 2007 and 41.9% in 2008 to 48.0% in 2009.[8] These workers were more likely to have accumulated enough insurable hours and, as a result, were more likely to have qualified for EI regular benefits. However, as the economy began to recover in 2010, previously permanent full-time workers represented 40.8% of the unemployed, a drop of 7.2 percentage points from the previous year. This decrease resulted in an increase in the proportion of unemployed people who did not have enough hours to qualify for EI, from 8.0% in 2009 to 8.5% in 2010. Despite this increase, however, this proportion is still lower than it was in 2008 (9.3%).[9] The fact that both the eligibility rate and the proportion of unemployed with insufficient hours to qualify for EI did not reach pre-recession levels suggests that the recent recession continued to have a lingering impact on the composition and eligibility of the unemployed in 2010.

The automatic responsiveness of the EI program through the VER also helps explain the increase in the proportion of unemployed people eligible to receive EI regular benefits in 2009 and the subsequent decrease in 2010. Administrative data show that from December 2008 to December 2009, eligibility requirements were automatically reduced for 81.9% of workers in the labour force,[10] or workers in 36 of the 58 EI economic regions, because regional unemployment rates rose. However, while the eligibility requirements were also reduced in 36 regions from December 2009 to December 2010, this figure represented a slightly different set of regions. Therefore, this decrease affected a slightly lower percentage of workers in the labour force in 2010 (79.1%)[11] than in 2008.

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6 Western provinces comprise Manitoba, Saskatchewan, Alberta and British Columbia.

7 Please note that due to the design of the EICS questionnaire, it is not possible to differentiate unemployed individuals eligible for regular benefits from those eligible for other types of income benefits. However, as this analysis focuses on the unemployed who fall within the parameters of the program, the numerator, E, can be seen as a proxy for the number of unemployed people eligible for regular benefits. The reason is that most people who receive special benefits are not considered unemployed.

8 Statistics Canada, *Employment Insurance Coverage Survey* (Ottawa: Statistics Canada, 2011).

9 Statistics Canada, *Employment Insurance Coverage Survey* (Ottawa: Statistics Canada, 2011).

10 This percentage is based on December 2009 Labour Force Survey statistics.

11 This percentage is based on December 2010 Labour Force Survey statistics.

TABLE 1

E/S Eligibility Ratio Summary

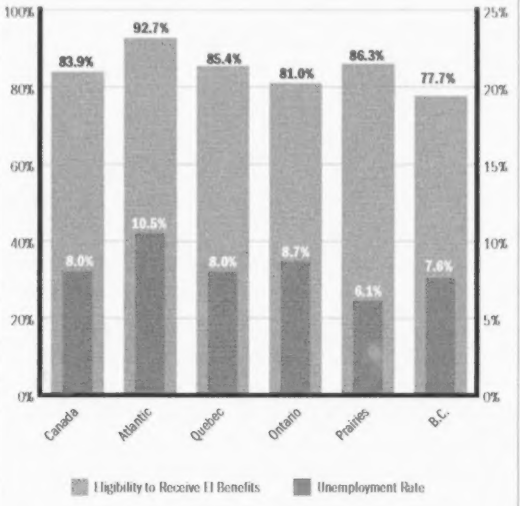
	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)
Eligibility rate for unemployed people with a recent job separation that qualified under EI (E/S)[12]	**83.9**	**86.2**	**82.2**	**82.3**	**82.7**
...for unemployed youth	48.4	62.8	51.9	45.9	47.0
...for unemployed adult women	89.6	88.3	86.4	87.7	85.4
...for unemployed adult men	89.5	91.8	90.6	90.4	91.5
...for people who had worked full time	90.3	91.2	91.1	90.0	87.6
...for people who had worked part time	46.4	49.5	35.8	33.6	53.8
...for people who had worked full and part time	76.7	83.9	70.0	81.0	68.9
...for immigrants	80.7	84.3	81.6	87.6	77.5

Hours-based eligibility for EI is influenced by work patterns and can vary depending on job tenure and individual characteristics. EI eligibility for some sub-groups, as shown in Table 1, is based on the number of unemployed individuals eligible for EI benefits, divided by the number of unemployed individuals with a recent job separation that met EI program criteria (E/S ratio). The eligibility rates declined for all groups in 2010 compared with the previous year, with the exception of unemployed adult women.[13]

The ongoing national labour market recovery had an uneven impact on the unemployment rates within each province. As a result, while eligibility rates decreased in all provinces except the Atlantic provinces, where they remained the same as in 2009, some provincial eligibility rates declined more than others. At 77.7%, the eligibility rate in British Columbia declined 8.9 percentage points from that in the previous year and represents the lowest rate recorded by any province since 2007. Ontario (81.0%) and Quebec (85.4%) also reported decreases in eligibility rates since 2009 (when they were 83.1% and 87.1%, respectively). For the Prairie provinces,[14] the eligibility rate decreased slightly, from 88.1% in 2009 to 86.1% in 2010. As previously explained, the change in the proportion

CHART 2

Eligibility to Receive EI Benefits Among Unemployed With Qualified Separations, and Annual Average Unemployment Rate, by Province (EICS), 2010



Sources:
Employment Insurance Coverage Survey and Labour Force Survey.

[12] Due to sample size, E/S ratios for some sub-groups may fluctuate widely from year to year.

[13] For more a detailed breakdown of EI eligibility by specific groups, see subsection 3 of this section.

[14] Prairie provinces comprise Manitoba, Saskatchewan and Alberta.

of permanent full-time workers among the unemployed helps to explain the higher eligibility rates registered in 2009 and the subsequent drop in 2010, particularly in the provinces that were most affected by the recession.

Eligibility rates fluctuated across the country in 2010, from 77.7% in British Columbia to 92.7% in the Atlantic provinces.[15] One explanation for the differences in provincial eligibility rates among the unemployed population is the prevalence of NEREs. Provinces with a higher national proportion of NEREs in the workforce, compared to their share of national employment, tend to have lower eligibility rates, and vice versa. The reason is that NERE claimants require 910 insurable hours of work to qualify, regardless of the region in which they establish their claim. According to the 2009 Survey of Labour and Income Dynamics, British Columbia (13.9% vs. 12.5%) as well as the Prairie provinces (19.7% vs. 19.0%) and Ontario (38.7% vs. 37.1%) registered a higher proportion of NERE workers relative to their proportion of national employment. On the other hand, the Atlantic provinces (6.0%) and Quebec (22.5%) registered a lower proportion of NEREs than their share of national employment (7.0% and 24.5%, respectively).[16]

A second factor that helps explain the differences in provincial eligibility rates among the unemployed population is the distribution of regional unemployment rates. In general, Ontario, the Prairies and British Columbia have a higher proportion of low unemployment regions than Quebec and the Atlantic provinces do. The VER ensures that the hours necessary to access EI regular benefits are adjusted to reflect regional unemployment rates. As such, low unemployment rates lead to higher entrance requirements, and high unemployment rates to lower access requirements.

Beyond the EICS, another data source that is often used to examine the eligibility of unemployed individuals for EI regular benefits is the Record of Employment (ROE). The ROE is the form that employers complete for employees receiving insurable earnings who stop working and experience an interruption of earnings. It is the single most important document used to establish an EI claim, as it contains details about the employee's work history with his or her employer(s), including insurable earnings and insurable hours. Service Canada uses the information from the ROE to determine whether a person qualifies for EI benefits, the benefit rate, and the duration of the claim. It is important to note that an individual can have more than one ROE and can combine the insurable hours from multiple ROEs when filing a claim.

According to EI administrative data, there were approximately 7.9 million job separations in 2010, down from 8.3 million job separations in 2009.[17] Among the reasons for separation, the most common ones include layoff, voluntary quit, dismissal, injury or illness, return to school, and pregnancy. However, not all job separations result in EI claims, as some people may leave their employment for another job opportunity or for other reasons that are outside the parameters of the EI program. As previously discussed, the main qualifying condition for individuals to be eligible for EI regular benefits is that they are laid off from their job.[18] In 2010, approximately 3.3 million job separations were layoffs compared with 3.7 million job layoffs in 2009.

As mentioned above, the required number of hours needed to qualify for regular benefits ranges from 420 hours, in regions where the unemployment rate is 13.1% or higher, to 700 hours where the unemployment rate is 6% or lower. Historically, most job separations have occurred in regions where the unemployment rate is 7% or lower. This trend changed significantly during the late-2000s recession, and that change continued into the recovery. A study[19] examining job separations between 1991 and 2010 shows that the percentage of job separations that occurred in regions where the unemployment rate was 7% or lower was 28.8% in 2009 and 20.7% in 2010. These proportions were significantly lower than those in 2008 (68.6%) and 2007 (73.0%). This finding is explained by the fact that the late-2000s recession disproportionately affected regions that historically had lower unemployment rates. In 2008, only 27 EI economic regions representing 30.5% of

[15] Atlantic provinces comprise Newfoundland and Labrador, Prince Edward Island, New Brunswick and Nova Scotia.

[16] Constantine Kapsalis and Pierre Tourigny, *Potential EI Eligibility of Employed Canadians Using the 2009 Survey of Labour and Income Dynamics* (Ottawa: Data Probe Economic Consulting Inc., 2011).

[17] ROE data for 2009 and earlier presented in this analysis have been revised.

[18] Individuals can also qualify for regular benefits if they quit their employment with just cause.

[19] HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, 2011).

workers in the labour force faced annual average unemployment rates higher than 7%. This proportion increased significantly in 2009, with 42 EI economic regions or 68.4% of workers, and in 2010, with 43 EI economic regions or 76.6% of workers, facing annual average unemployment rates higher than 7%.

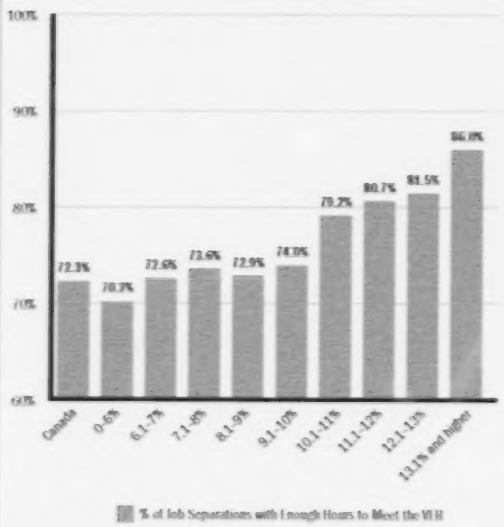
The above-mentioned study also shows that 72.3% of all individuals who were separated from their job in 2010 had accumulated enough insurable hours in the 52 weeks preceding their job separation to meet the entrance requirement and qualify for EI regular benefits.[20] This proportion varied significantly among EI economic regions. High unemployment regions had a larger proportion of individuals with sufficient accumulated hours to meet the entrance requirements than did low unemployment regions (see Chart 3). In 2010, in regions of 13.1% unemployment or higher, 86.0% of job separations occurred after the individual had accumulated enough hours of work to qualify for EI regular benefits. Conversely, in regions of low unemployment (6.0% or lower), only 70.2% of job separations occurred after the individual had accumulated sufficient hours of work.[21] This finding suggests that while the VER provision takes regional labour market conditions into account, clients in regions with higher unemployment rates have relatively easier access to EI.

1.1.1.3 Accessibility

While the above analysis focuses on EI eligibility, it is also possible to measure the level of access to EI regular benefits by unemployed people with qualifying separations. This ratio is calculated by dividing the number of unemployed individuals who received regular benefits in the EICS reference week

CHART 3

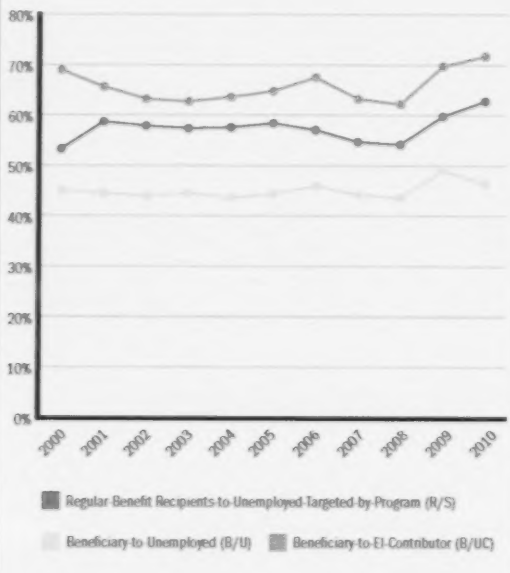
Percentage of Individuals With Enough Hours From Their Combined ROEs in the Previous 52 Weeks, by Regional Unemployment Rate, 2010



Source:
HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, 2011).

CHART 4

EI Accessibility Ratios, 2000–2010



Sources:
Employment Insurance Coverage Survey and EI administrative data.

[20] Many of the individuals considered in the study experienced voluntary job separations that did not make them eligible to receive regular benefits under the EI program.

[21] HRSDC, *ROE-Based Measures of Eligibility* (Ottawa: HRSDC, Evaluation Directorate, 2011).

by the number of unemployed individuals with a recent job separation that met EI program eligibility criteria (R/S in Chart 1). The R/S ratio is considered more relevant than the other accessibility measures, as it considers only the unemployed individuals who fall within the parameters of the program.

Access to regular benefits (R/S) can differ from eligibility for a number of reasons.[22] For instance, eligible individuals may decide not to establish an EI claim, or individuals may make a claim but decide not to collect benefits. In 2010, among unemployed individuals with a recent job separation that met EI criteria, an average of 62.7% received regular benefits during the reference week compared with 54.1% in 2008 and 59.7% in 2009.

Similar to eligibility for benefits (E/S), accessibility to EI regular benefits (R/S) varies by demographics, work status and province. While the R/S ratio remained higher for males (63.5%) than females (61.2%) in 2010, the growth in the ratio among women has been stronger for the past two years, which has narrowed the gap. Youth (aged 15 to 24 years) and part-time workers had low accessibility ratios in 2010, at 29.0% and 29.3%, respectively, particularly when compared with adults (25 years or older) (68.9%) and full-time workers (67.8%). In 2010, the R/S ratio ranged from 50.5% in Manitoba and Saskatchewan (combined) to 76.0% in the Atlantic provinces. Alberta's ratio had the most notable change, increasing from 51.5% in 2009 to 66.0% in 2010.

Another measure, the beneficiaries-to-unemployed ratio (B divided by U), is often used as an indicator of accessibility to the EI program. The B/U ratio[23] has the advantage of simplicity and historical availability. However, it has a number of serious limitations. First, its denominator (all unemployed) includes many people who are outside the parameters of the EI program (e.g., individuals who are going back to school, who did not pay EI premiums during the last 12 months or who quit their jobs without just cause). Second, its numerator (total regular beneficiaries in the reference week) includes EI beneficiaries who are not unemployed, such as claimants who received both benefits and earnings in a given week (see section III of this chapter for more information on the Working While on Claim provision). Third, the numerator in the B/U ratio is derived from another source (the EI Statistics release from Statistics Canada), not from the EICS. Therefore, while the B/U ratio will be briefly discussed, the R/S ratio is still a more accurate measure.

In 2010, the B/U ratio was 46.4%, dropping from 49.0% in 2009. This decline is explained mainly by the partial return of the composition of the unemployed population to pre-recession levels, as previously discussed. Despite this decline, the B/U ratio in 2010 was slightly higher than the average of the ratio since 2000, which has been fairly stable at around 45.0%.

A third measure, the B/UC ratio, is a modification of the B/U ratio in which the total number of unemployed individuals is replaced by the number of unemployed individuals who had been paying EI premiums in the previous 12 months. The B/UC ratio is only a slight improvement over the B/U ratio, in that its denominator includes only those individuals who paid premiums. However, the denominator still includes individuals who had invalid job separations under the EI program (e.g., those who quit to return to school or quit without a just cause). This ratio also suffers from the same issues with its numerator as the B/U ratio. Therefore, once again, the R/S ratio remains the more accurate measure of accessibility to EI.

In 2010, the B/UC ratio was 71.7% compared with 69.7% in 2009. This increase is due to the increase in the proportion of long-term unemployed people that decreased the number of unemployed who paid premiums in 2010, as explained earlier.

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[22] Individuals who received special benefits, whose benefits were temporarily interrupted, who were expecting to receive benefits, who had exhausted their benefits, who claimed but did not receive benefits for unknown reasons and who did not claim benefits during the reference week account for the difference between those individuals eligible for EI and those accessing EI regular benefits.

[23] Historical B/U ratios are recalculated each year and may vary from past calculations when historical revisions are made to the LFS. EI administrative data on the number of regular beneficiaries can also be obtained from Statistics Canada, CANSIM Table 276-0001.

1.1.2 Employed Population

This subsection is mainly based on an analysis of data from the Survey of Labour and Income Dynamics (SLID)[24] that explores the hours worked by employees based on a hypothetical layoff scenario. This analysis measures the proportion of employees who would have had sufficient insured hours over the qualifying period to meet regional EI entrance requirements (ranging from 420 to 700 hours for most individuals and 910 hours for new entrants and re-entrants (NEREs)),[25] if all workers had been laid off in December of the year studied.

1.1.2.1 Eligibility

The SLID simulation suggests that 87.8% of individuals who were working as paid employees in December 2009 would have been eligible for EI regular benefits if they had lost their job at the end of the month.[26] The EI eligibility rate among the employed population in 2009 decreased 1.5 percentage points from the 2008 rate (89.3%). The decline in the EI eligibility rate is mainly due to the increase in the proportion of NEREs, which rose from 21.8% of all paid workers in 2008 to 27.0% in 2009. In the absence of this increase, the overall EI eligibility rate would have increased marginally to 89.5%.

NEREs had a considerably lower EI eligibility rate than the non-NERE workforce (64.4% vs. 96.5%). Their lower eligibility rate is due both to their fewer accumulated hours of work and the fact that NEREs must accumulate more hours in order to qualify for regular benefits. The EI eligibility rate for NEREs declined by 0.3 percentage points between 2008 and 2009, while increasing by the same margin for the rest of the workforce.

In 2009, the proportion of employed individuals with sufficient hours to claim EI regular benefits ranged from 86.6% in British Columbia to 89.7% in the Atlantic provinces. Provincial fluctuations in eligibility rates among the employed population are explained by the same factors that influence provincial rates among the unemployed population, which were discussed in the previous subsection.

The EI eligibility rate was lower for women (84.8%) than for men (90.9%), primarily because women are more likely than men to work part time. Among full-time workers, the difference between women and men was narrower (95.0% versus 96.0%, respectively). Female (57.3%) and male (50.0%) part-time workers, as well as youth aged 17 to 24[27] (63.0%), had low EI eligibility rates, both because they worked fewer hours and because they were more likely to be NEREs.

1.2 Fishing Benefits

EI fishing benefits are paid to self-employed fishers. These benefits provide income support to individuals who live in rural communities that rely on the fishing industry. Eligibility for fishing benefits is determined by the claimant's insurable earnings, rather than the number of insured hours. The amount of earnings required to qualify range from $2,500 to $4,200 annually, depending on the regional unemployment rate. In addition, there are two separate benefit periods for fishing benefits: a winter qualifying period, for which a benefit period can be established starting in April, and a summer qualifying period, for which a benefit period can be established starting in October.[28]

1.2.1 Eligibility

Historically, over 90% of all fishers who claim fishing benefits have qualified with earnings above $5,500, which is the maximum eligibility requirement for NERE fishers. In 2010/11, this figure was 98.0%, which is consistent with the percentage recorded in each of the last four years. The percentage of fishers who qualify with earnings above $5,500 is consistent among the Atlantic provinces, British Columbia and Quebec, ranging only slightly from 97.5% in Newfoundland to 98.7% in Nova Scotia and Prince Edward Island.

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[24] The Survey of Labour and Income Dynamics (SLID) is a longitudinal Statistics Canada survey that follows individuals over six consecutive years. Every three years, a new panel of individuals is added to the survey.

[25] More detailed information on regular benefits can be found in Chapter 1.

[26] Constantine Kapsalis and Pierre Tourigny, *Potential EI Eligibility of Employed Canadians Using the 2009 Survey of Labour and Income Dynamics* (Ottawa: Data Probe Economic Consulting Inc., 2011).

[27] Please note that the Survey of Labour and Income Dynamics defines youth as ages 17 to 24.

[28] More detailed information on fishing benefits can be found in Chapter 1.

1.2.2 Accessibility

Among the 28,533 new fishing claims in 2010/11, there were 10,210 fishing claims established based on the winter qualifying period, a 5.7% decrease over the previous year. The number of claims established based on the summer qualifying period also decreased (-0.8%) to 18,323. From 2006/07 to 2010/11, the number of fishing claims established based on the winter qualifying period remained relatively stable (-0.02%) while the number of claims established based on the summer qualifying period dropped by 14.6%.

There were 20,747 fishers who made fishing claims in 2010/11, a decline of 2.1% from 2009/10. The difference between the number of fishing claims and the number of fishers making these claims can be attributed to the fact that some fishers are active in both fishing seasons and are eligible to claim fishing benefits twice a year. Similar to the number of fishing claims, the number of fishers making fishing claims has also been declining over the past few years. Among the major fish-producing provinces, there were notable declines in the number of fishers claiming benefits in Newfoundland and Labrador (-6.5%), and New Brunswick (-3.7%) in 2010/11, while Prince Edward Island (-1.5%) and Nova Scotia (-0.6%) registered minor decreases. On the other hand, British Columbia (+12.0%) experienced a significant increase in the number of fishers claiming benefits.

In 2010/11, a total of 7,777 (37.5%) fishers who established a claim made multiple fishing claims, while 12,970 (62.5%) fishers made one fishing claim. The number of claims made by multiple fishing claimants (15,563) accounted for over half of all fishing claims. The number of fishers who made a single claim declined by 1.0%, while the number of fishers who made multiple claims declined by 3.9%. The Atlantic provinces represented about 90% of all fishers who made multiple fishing claims. Of these provinces, Newfoundland and Labrador (-6.0%), Prince Edward Island (-4.5%) and New Brunswick (-2.8%) showed a decline in the number of fishers who make multiple claims, while Nova Scotia saw a small increase (+1.0%). Fishers in Prince Edward Island and New Brunswick were the most likely to be active in both seasons, as 53.2% and 45.9% of claimants in these provinces, respectively, established multiple fishing claims in 2010/11.

1.3 Special Benefits

In addition to assisting those who are unemployed, EI plays an important role in supporting employees and self-employed individuals (including fishers) who are too sick to work, who need to stay at home with a newborn or newly adopted child, or who take a temporary leave from work to provide care or support to a gravely ill family member. For employees, access to special benefits is based on 600 hours of insured work, regardless of the regional unemployment rate. Self-employed fishers can qualify for special benefits with fishing earnings of $3,760, while other self-employed individuals could qualify with self-employed earnings of $6,000 in 2011.[29]

1.3.1 Eligibility

SLID data suggest that an estimated 91.0% of employees would have had sufficient hours to qualify for special benefits in December 2009, had they needed them at the time. This eligibility rate is slightly lower than it was in December 2008 (92.2%) and follows the trend that has seen eligibility for special benefits remain consistently over 90% for the past several years. The eligibility rate in 2009 was similar to the one registered in 2007 (90.9%).

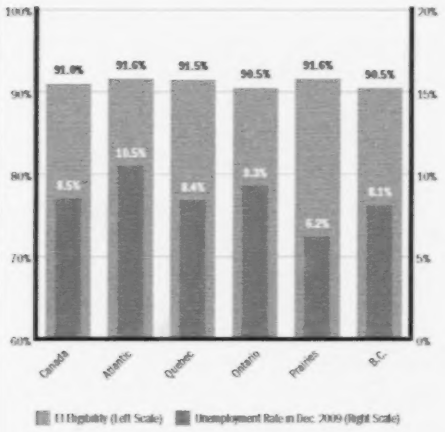
There is little provincial variation in eligibility rates for special benefits. As shown in Chart 5, approximately one percentage point separated Ontario and British Columbia, which had the lowest access rates at 90.5%, from the Atlantic provinces, which had the highest access rate at 91.6%. This suggests that the 600-hour eligibility threshold for special benefits is equitable, regardless of the regional unemployment rate insured workers face.

While eligibility for special benefits is fairly consistent across provinces, it does vary by gender and permanency of employment. According to SLID data, men had an eligibility rate of 93.4% in December 2009, while women had a rate of 88.6%. However, nearly all full-time workers (97.1%) would have had sufficient hours to qualify for special benefits, regardless of gender. Among part-time employees, 66.2% of women and 62.8% of men would have been eligible to collect EI special benefits. The rate of special benefits eligibility also varies by age. Youth (aged 17 to 24) had an eligibility rate of 74.1% in December 2009 compared with an average rate of

[29] More detailed information on special benefits can be found in Chapter 1.

CHART 5

Potential EI Eligibility for Special Benefits Among Paid Employees, and Unemployment Rate, by Region, December 2009



Sources:
Survey of Labour and Income Dynamics, and Labour Force Survey.

93.7% among the other age categories (people aged 25 to 69). This finding is not surprising, as youth are more likely to work part time than people in other age groups are and, therefore, are less likely to accumulate enough hours to be eligible for special benefits.

On December 15, 2009, the *Fairness for the Self-Employed Act* was passed to extend EI maternity, parental/adoption, sickness and compassionate care benefits to self-employed individuals on a voluntary basis. Since January 31, 2010, self-employed people have been able to opt into the EI program, with benefits being paid as early as January 2011.

1.3.2 Accessibility

As mentioned in Chapter 3, there were 499,270 new special benefits claims established in 2010/11. Among these claims, 304,690 (61.0%) combined more than one special benefit in a single claim.

1.3.2.1 Maternity and Parental Benefits

According to the EICS, the number of mothers with a child up to 12 months old increased by 4.6% in 2010, to nearly 397,000. Over three quarters of these mothers (78.9%) had insurable income before having or adopting their child. Among these insured mothers, 88.6% had received maternity or parental benefits. Overall, over two thirds (69.9%) of all mothers with a child up to 12 months old received special benefits in 2010; this proportion has remained relatively stable since 2003.

The proportion of fathers who claimed or intended to claim parental benefits decreased to 29.6% in 2010 from 30.1% in 2009. However, this proportion has more than doubled since 2005, when 15.0% of fathers claimed or intended to claim parental benefits. This increase can be attributable, in part, to the trend in Quebec following the introduction of the Quebec Parental Insurance Plan (QPIP) on January 1, 2006. The proportions reported above originate from the EICS and include parents in Quebec receiving benefits from the provincial program.

In Quebec, 77.6% of fathers took advantage of the plan in 2010 compared with 79.1% in 2009. Prior to the plan's introduction, 27.8% of Quebec fathers took parental leave in 2005. Outside Quebec, 11.1% of new fathers took or intended to take parental leave in 2010 compared with 12.8% in 2009.

1.3.2.2 Compassionate Care Benefits

To make a compassionate care benefit (CCB) claim, an individual must indicate their relationship with the family member they are caring for, and provide a medical certificate proving the family member is gravely ill and at significant risk of death. As shown in Table 2, the vast majority (77.5%) of applicants filed for compassionate care benefits to take care of their gravely ill parent or spouse in 2010/11. Individuals applied for compassionate care benefits to take care of a gravely ill child (their own child, the child of a spouse or the child of a common-law partner) in 7.1% of all cases. These proportions were consistent with those reported in 2008/09 and 2009/10.

TABLE 2

Relationship of Gravely Ill Person to Compassionate Care Applicant, 2010/11

Type of relationship	Number of applicants	Percentage of total[30]
My mother or father	5,292	57.6
My spouse	1,831	19.9
My child	638	6.9
Other	637	6.9
My sister or brother	379	4.1
My common-law partner	322	3.5
The spouse of my father or mother	59	0.6
The common-law partner of my father or mother	15	0.2
The child of my spouse	12	0.1
The child of my common-law partner	2	0.0
Total	**9,187**	**100.0**

In June 2006, a regulatory change broadened the eligibility criteria to allow siblings, grandparents, grandchildren, in-laws, aunts, uncles, nieces, nephews, foster parents, wards and any other individuals considered family members by the gravely ill person—or his or her representative—to be eligible for compassionate care benefits. Administrative data show that the broadened eligibility resulted in an additional 1,016 applications in 2010/11 (the "my sister or brother" and "other" categories in Table 2), representing approximately 11.1% of all compassionate care benefit applicants. Since the implementation of the broadened eligibility criteria, both the number and proportion of applicants who fall into these two categories have been increasing every year.

Of the 9,187 compassionate care applications, approximately two thirds (65.6%) were deemed eligible for benefits and claims were established. Since 2006/07, when 73.8% of compassionate care applications were deemed eligible, the rate has declined every year. A recent evaluation study on compassionate care benefits[31] shows similar results, determining that approximately one third of compassionate care applicants do not qualify for benefits. According to this study, the main reasons applicants did not receive compassionate care benefits were that the family member was not at significant risk of death, the patient died before the claimant was eligible to collect benefits or the claimant did not provide a medical certificate. The study also shows that compassionate care benefit applicants caring for their spouse, a parent or a sibling are more likely to have their claim accepted than are those caring for a child, mainly because gravely ill children are less likely than spouses and parents to be at significant risk of death.

2. EI Benefits: Level, Entitlement, Duration and Exhaustion

The examination of the adequacy of EI regular benefits is based on the level of, entitlement to, duration of and exhaustion of benefits, as well as the repayment of benefits. The adequacy of fishing and special benefits is assessed by analyzing the level and duration of benefits.

2.1 Regular Benefits

The recovery from the late-2000s recession resulted in a general decrease in regional unemployment rates during 2010/11 (see Chapter 2). As discussed in the previous subsection, the EI program automatically adjusts to changes in local labour market conditions. During the recession, these

[30] Percentages in table may not add to those in the text due to rounding.

[31] HRSDC, *Compassionate Care Benefits* (Ottawa: HRSDC, Evaluation Services, 2011).

adjustments resulted in reduced eligibility requirements, increased entitlement to regular benefits and, in some cases, higher levels of weekly benefits due to the Minimum Divisor provision.[32] As the recovery took hold, the level of assistance provided by the EI program automatically fell back toward pre-recession levels. These adjustments reflect the program's flexibility to adapt to the changing needs of regions and communities.

2.1.1 Level of Regular Benefits

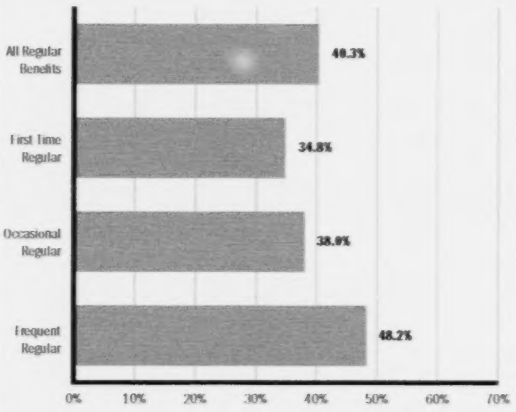
Under the *Employment Insurance Act*, the maximum insurable earnings threshold (MIE) for EI reflects the calculated value of annual average earnings, called the projected annual average earnings value (PAAE).[33] The PAAE is based on the average weekly earnings of the industrial aggregate in Canada, as published by Statistics Canada.

The MIE was $42,300 in 2009, $43,200 in 2010 and $44,200 in 2011. Accordingly, the maximum weekly benefit was $447 in 2009, $457 in 2010 and $468 in 2011.

The proportion of regular claimants receiving the maximum weekly benefit decreased from 43.0% in 2009/10 to 40.3% in 2010/11.[34] In the past two years, this proportion has decreased more than 5 percentage points from 45.5% registered in 2008/09. This decrease is partially due to the decrease in the average insurable hours that regular claimants accumulated in 2009/10 and 2010/11, which, despite relatively higher average wage rate growth, led to weaker growth in earnings during the last two fiscal years. Another factor explaining the decrease in the proportion of regular claimants receiving the maximum benefit was the high proportion of first-time regular benefits claimants in both 2009/10 and 2010/11. First-time claimants tend to have a lower average weekly regular benefit than frequent claimants ($355 vs. $391 in 2010/11, respectively).

CHART 6

Percentage of EI Regular Claimants Receiving the Maximum Weekly Benefit, 2010/11



As just mentioned, the claimant's history of collecting benefits has an impact on the likelihood that he or she will receive the maximum weekly benefit, as illustrated in Chart 6. Of all frequent regular claimants, 48.2% were entitled to the maximum weekly benefit, in contrast to 34.8% of first-time regular claimants. Even though the proportion of claimants entitled to the maximum weekly benefit dropped for every type of claimant in 2010/11, first-time claimants suffered the most significant decline, registering a drop of almost 6 percentage points in comparison to 2009/10.

On average, men were entitled to $396 and women to $334 in weekly regular benefits in 2010/11. While the difference in average weekly regular benefits reflects the earnings gap between men and women,[35] a general trend of stronger growth in women's average weekly regular benefit rates means that the gap is gradually closing. For instance, in 2010/11, the average weekly regular benefit for women was 84.4% of that for men, compared with 71.1% in 2000/01.

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[32] The Minimum Divisor provision is used in the calculation of the benefit rate and varies depending on the rate of unemployment in the economic region in which the claimants resides. This provision is discussed in detail in section 3 of this chapter.

[33] The methodology used to obtain the PAAE is outlined in the *Employment Insurance Act* and in the *Report of the Chief Actuary to the CEIFB Board of Directors* (Ottawa: Canada Employment Insurance Financing Board, Chief Actuary, 2011), **http://www.ceifb-ofaec.ca/en/PDF_Reports/2012%20English%20CA%20Final.pdf**.

[34] Due to a difference in methodology, the actual proportions of claimants receiving the maximum benefit in 2009/10 differs from the figures reported in the *2010 Monitoring and Assessment Report*.

[35] The wage gap between men and women is discussed in detail in section I.3.

Historically, the average weekly regular benefit has increased every year. The average regular weekly benefit increased from $367 in 2009/10 to $371 in 2010/11. Even though this growth of 1.0% is in line with the one registered in 2009/10 (+0.9%), recent growth rates have been significantly weaker than those of the last 10 fiscal years. This is due, in part, to the negative effects of the late-2000s recession on average insurable hours and earnings, as well as the increase in the proportion of first-time claimants. The decline in average earnings is illustrated by the weaker growth of the MIE in 2010 (+2.1%) and 2011 (+2.3%) compared to 2009 (+2.9%). However, the growth in average weekly regular benefits would have been even weaker if not for the automatic adjustment to the minimum divisor, which reflects the higher regional unemployment rates that resulted from the late-2000s recession. Estimates based on EI administrative data suggest that the average weekly regular benefit would have been $362 in 2010/11 without this automatic adjustment.[36, 37]

Several recent studies examine the issue of adequacy of EI benefits. One study[38] compares incomes before, during and after a year with EI over the period 2002–2007, showing that the average EI beneficiary experiences a 38% drop in earnings during a year with EI. Of all sources of income received by individuals who are unemployed, EI is the most important one, replacing about 38% of lost earnings, on average. Another study[39] of data from 2004 to 2009 shows that, on average, 25% of unemployed individuals reported that their household income was insufficient to cover all or most of their regular spending. However, the proportion reporting this problem was lowest for EI beneficiaries (23%) and highest for those who had exhausted their EI benefits (32%). These findings combined suggest that the level of benefits provided by EI helps mitigate the financial hardship of being unemployed.

The effective replacement rate, which is the actual proportion of earnings replaced by EI regular benefits, provides further insight into the adequacy of EI benefits. As discussed in Chapter 1, the EI program is designed to replace 55% of previous employment earnings up to the MIE threshold. An evaluation study,[40] based on the Survey of Labour and Income Dynamics (SLID) and the Employment Insurance Coverage Survey (EICS), finds that 62% of regular beneficiaries in 2009 and 2010 received regular benefits that equated to 55% of their previously insured employment earnings. This study also finds that over a 10-year period (2001–2010), the proportion of beneficiaries receiving 55% of their prior earnings declined every year, by an average of 1.5 percentage points per year. This decline over time is explained by the fact that, for several years, average wage rates increased at a faster pace than the MIE. In fact, the MIE was frozen from 1996 to 2006, but it has increased every year since then. Over the 2001–2010 period, the average effective replacement rate was 48% and 50%, according to the EICS and SLID, respectively.

In addition to these findings, the study notes that beyond the MIE, the higher the average earnings made by a specific demographic group, the lower their replacement rate. For instance, men, university graduates, Alberta residents, full-time workers and unionized employees tend to have a lower effective replacement rate. On the other hand, women, individuals with less than a high school diploma, residents of Prince Edward Island and of Newfoundland and Labrador, part-time workers, and non-unionized employees tend to have a higher replacement rate.

Employers can also use supplemental unemployment benefits (SUB) plans to provide additional payments to workers who find themselves on temporary leave from work due to any combination of work stoppage, training, illness, injury or quarantine. SUB plans, which must be approved by Service Canada, are implemented at the discretion of an employer but

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[36] This figure is based on the recalculation of regular claim duration using regional unemployment rates applicable to claims established in October 2008.

[37] The analysis on the effect of the minimum divisor does not take into account the potential effects of the other provisions that affect weekly benefits, such as the Small Weeks provision.

[38] Costa Kapsalis, *Financial Impacts of Receiving Employment Insurance* (Ottawa: Data Probe Economic Consulting Inc., 2010).

[39] Costa Kapsalis, *Employment Insurance and the Financial Hardship of Unemployment* (Ottawa: Data Probe Economic Consulting Inc., 2010).

[40] Costa Kapsalis, *Estimates of the Employment Insurance Replacement Rate* (Ottawa: Data Probe Economic Consulting Inc., 2011).

can also be the result of a collective bargaining process. By registering their plan, employers can top up some or all of their workers' income to a maximum combined SUB and EI income equalling 95% of normal weekly earnings. A recent evaluation study[41] finds that EI claimants benefiting from SUB plans accounted for about 1% of the sampled claims during the period 2001–2010. Most claims involving SUBs relate to regular claims, followed by sickness claims and, last, training claims. The study also finds that claims involving SUBs are more likely to relate to workers aged between 25 and 54, to originate in Quebec and Ontario, and to involve workers in public administration, utilities, transportation and warehousing, or manufacturing. Finally, the evaluation points to a "wage effect," whereby better-paid claimants are more likely to have SUBs attached to their EI claims.

2.1.2 Regular Benefit Entitlement

Overall, the average entitlement to EI regular benefits was 36.0 weeks in 2010/11, down from 42.8 weeks in 2009/10 and similar to the level in 2008/09 (36.5 weeks). Average entitlement to regular EI benefits increased significantly in both 2008/09 and 2009/10, as a result of two factors: automatic adjustments to the EI program, which increased entitlement to regular EI benefits to reflect rising unemployment rates in local labour markets; and the implementation of the temporary EI measures. In fact, from 2000/01 to 2007/08, the average entitlement to EI regular benefits remained between 31 and 34 weeks. The decline in average entitlement to EI regular benefits in 2010/11 was expected, considering that regional unemployment rates were returning to pre-recession levels and that the temporary EI measures were coming to an end.

With the onset of the late-2000s recession and the subsequent increases in regional unemployment rates, the automatic adjustments to the EI program increased the entitlement to regular benefits for many claimants. This trend continued into the recovery. When the impact of the temporary EI measures is excluded, the average entitlement to regular benefits was 33.4 weeks in 2009/10 and 32.3 weeks in 2010/11. However, had there not been an increase in local unemployment rates,[42] it is estimated that the average duration of regular claims would have been 30.2 weeks in 2009/10 and 29.9 weeks in 2010/11. Therefore, the EI program's automatic adjustment in entitlement increased the average regular benefit entitlement by 3.2 weeks in 2009/10 and by 2.4 weeks in 2010/11.

Beyond the automatic changes to regular entitlement that reflected increased local unemployment rates, two of the temporary EI measures, which were introduced as part of Canada's Economic Action Plan, specifically increased the entitlement to regular benefits.

- The Extension of EI Regular Benefits measure provided 5 extra weeks of regular benefits for all claims that were active on March 1, 2009, and for all claims established between March 1, 2009, and September 11, 2010. This measure also increased the maximum entitlement to EI regular benefits from 45 to 50 weeks.
- The Extension of EI Benefits for Long-Tenured Workers[43] further extended the duration of benefits for eligible claimants by up to another 20 weeks, depending on the number of insured hours they had worked and the unemployment rate of the region in which they established their claim. To be eligible for this measure, claimants had to meet the definition of a long-tenured worker and had to have established a claim between January 4, 2009, and September 11, 2010.

As a result of these two temporary measures, some individuals could have been eligible for a maximum of 70 weeks of EI regular benefits.

To ensure the best trade-off between timeliness and accuracy when analyzing the duration of benefits, different time windows in EI administrative

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[41] HRSDC, *Supplemental Unemployment Benefits* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[42] This figure is based on the recalculation of regular claim duration using regional unemployment rates applicable to claims established in October 2008.

[43] A long-tenured worker is defined as an individual who has contributed to the EI program (paid at least 30% of the annual maximum EI premiums) for at least 7 out of the last 10 calendar years and has received no more than 35 weeks of EI regular benefits in the last 5 years.

Regular Benefit Entitlement and the Economic Action Plan

As the automatic increase in entitlement raised the average regular benefit entitlement by 2.4 weeks to 32.3 weeks in 2010/11, the introduction of the Extension of EI Regular Benefits and the Extension of EI Benefits for Long-Tenured Workers temporary measures increased the regular benefit entitlement by almost an additional 4 weeks, to an average of 36.0 weeks.

data are used, depending on the type of EI benefits being considered. To analyze the average proportion of entitlement used and the duration of regular benefits, the claims must have been completed. Therefore, in this report, only regular claims established in 2009/10 are considered.

For the last eight years, the proportion of entitlement that regular claimants use has remained relatively stable. This stability has persisted even though Canada's economic performance has varied from year to year. In fact, since 2002/03, regular claimants have, on average, consistently used between 58% and 62% of their entitlement. Of the regular claims established in 2009/10, the proportion decreased by 1.6 percentage points to 58.1%, the lowest rate registered since 2002/03. This decrease followed a 0.9 percentage point decrease to 59.7% that was registered for claims established in 2008/09. While the level of regular benefit entitlement use declined in each of the last two years, the higher percentage of entitlement used during the late-2000s recession suggests that the program responded well to the needs of workers during the recession.

As in previous periods, the average percentage of EI benefit entitlement used for regular claims established in 2009/10 was highest in the Atlantic region, ranging from 62.5% in New Brunswick to 66.0% in Newfoundland and Labrador. Saskatchewan had the lowest percentage of entitlement used at 53.2%. Ontario (57.5%) and Quebec (56.2%) registered average percentages of EI regular benefit entitlement used for claims established in 2009/10. Ontario and Quebec's percentages were slightly lower than those in the previous year.

Historically, women and men have used a similar proportion of their EI entitlement. That was also the case for claims established in 2009/10, when men used an average of 57.5% of their entitlement and women used an average of 59.2%.

Since older workers (aged 55 years or older) receive regular benefits for longer periods than members of other age groups, they are also more likely to use all the benefits to which they are entitled. This is in part due to the fact that it takes more time for older workers to find a new job, on average, than it does for members of other age groups. Among all age groups, older workers continued to use the highest percentage of their regular benefit entitlement, at 64.7%, compared with 56.7% for youth (aged 15 to 24), 56.4% for claimants aged 25 to 44, and 57.4% for those aged 45 to 54, based on claims established in 2009/10. All age groups saw their average EI entitlement usage decrease by at least 1.4 percentage points when compared with their usage in the previous year.

Among regular claims established in 2009/10, the proportion of EI regular benefit entitlement used was slightly lower for frequent claimants. First-time claimants used 59.4% of their entitlement, occasional claimants, 58.5% and frequent claimants, 56.2%. All three of these groups saw a slight decrease in the proportion of EI regular benefit entitlement used when compared with claims established in 2008/09.

2.1.3 Duration of Regular Benefits

On average, regular claimants who established a claim in 2009/10 received 23.8 weeks of regular benefits, an increase of 1.9 weeks from the average of 21.9 for claims established in 2008/09. The increases in weeks of regular benefits received for claims established in 2008/09 (+3.2) and 2009/10 (+1.9) are the direct result of the late-2000s recession and the subsequent increases in regular benefit entitlement due to the automatic changes to the EI program, as well as the introduction of the temporary EI measures. A recent evaluation study[44] suggests that the effect of the program's automatic adjustments to regular entitlement, combined with the Extension of EI Regular Benefits temporary measure, led to an increase of 2.1 weeks in the duration of claims established between March 2008 and April 2010.

As noted earlier, older workers (individuals aged 55 years or older) tend to receive EI regular benefits for longer periods than members of other age groups. For claims established in 2009/10,

[44] HRSDC, *Extended Duration of Employment Insurance Regular Benefits (5 Week EAP Initiative)* (Ottawa: HRSDC, Evaluation Directorate, 2011).

Duration of Regular Benefits and the Economic Action Plan

As of March 31, 2011, a total of 1,224,730 claimants[45] had benefited from the Extension of EI Regular Benefits temporary measure and had completed their EI claim. The average duration of regular benefits for these claimants was 28.4 weeks in 2008/09, 33.0 weeks in 2009/10[46] and 35.9 weeks in 2010/11. In addition, these claimants used, on average, 4.5 weeks of the additional 5 weeks available in 2008/09, 4.6 weeks in 2009/10 and 4.4 weeks in 2010/11.

As of March 31, 2011, a total of 183,900 long-tenured worker claimants[47] had benefited from the Extension of EI Benefits for Long-Tenured Workers temporary measure and had completed their EI claim. The average duration of regular benefits for these claimants was 49.8 weeks in 2009/10 and 51.0 weeks in 2010/11. In addition, these claimants used, on average, 13.7 weeks in 2009/10 and 11.0 weeks in 2010/11 of their additional regular entitlement.

TABLE 3

Average Duration of Regular Claims of Beneficiaries of EI Temporary Measures

		Extension of EI Regular Benefits	Extension of EI Benefits for Long-Tenured Workers
2008/09	Average Weeks of Regular Benefits	28.4	N/A
	Additional Weeks Used	4.5	N/A
2009/10	Average Weeks of Regular Benefits	33.0	49.8
	Additional Weeks Used	4.6	13.7
2010/11	Average Weeks of Regular Benefits	35.9	51.0
	Additional Weeks Used	4.4	11.0
Total	**Average Weeks of Regular Benefits**	**34.0**	**50.7**
	Additional Weeks Used	**4.5**	**11.9**

A recent study[48] on the impact of the Extension of EI Regular Benefits temporary measure shows that the probability of using the additional weeks of benefits provided under the Extension of EI Regular Benefits was negatively affected by the number of weeks of overall entitlement. For instance, 51.5% of claimants with a maximum of 25 weeks of entitlement used at least 1 of the 5 additional weeks available to them, while only 22.9% of claimants with 45 to 50 weeks of entitlement used the additional weeks of regular benefits.

Another study[49] on the Extension of EI Benefits for Long-Tenured Workers temporary measure reveals that the more additional weeks long-tenured workers were entitled to, the more likely they were to use them. For instance, long-tenured workers who were entitled to 8 to 20 additional weeks of regular benefits were more likely to use at least some of their additional weeks than those who were entitled to only 5 additional weeks under this temporary measure.

It is important to note that these measures began in the last quarter of 2008/09 and additional benefits offered by these temporary measures will be paid well into 2011/12. Therefore, as it is necessary to rely on completed claims to analyze duration, the full impact of the measures on the duration of regular benefits cannot be fully analyzed in this report. This is particularly true for eligible EI claimants who used the maximum duration of 70 weeks of regular benefits available under both measures combined.

[45] The number of claimants who received additional EI benefits as a result of the Economic Action Plan measures is determined according to when the additional benefits were paid rather than when the claim was established.

[46] The estimates for claimants affected and payments made in 2009/10 under the Extension of EI Regular Benefits temporary measure has been slightly revised from what was reported in the *2010 Monitoring and Assessment Report* as more recent data became available.

[47] The number of claimants who received additional EI benefits as a result of the Extension of EI Benefits for Long-Tenured Workers temporary measure is determined according to when the additional benefits were paid rather than when the claim was established.

[48] HRSDC, *Extended Duration of Employment Insurance Regular Benefits (5 Week EAP Initiative)* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[49] HRSDC, *Preliminary Analysis of the Extension of Employment Insurance Regular Benefits for Long-Tenured Workers (EEILTW)* (Ottawa: HRSDC, Evaluation Directorate, 2011).

older workers received 27.4 weeks of regular benefits, on average, an increase of 3.0 weeks from 2008/09 and 3.6 weeks more than the national average. In comparison, the average duration for the next closest age group, those aged 45 to 55, was 24.5 weeks in 2009/10.

The average duration of regular benefits for first-time claimants was 26.7 weeks for claims established in 2009/10, an increase of 3.0 weeks from 2008/09 and 2.9 weeks more than the national average. Alternatively, frequent claimants who established a regular claim in 2009/10 received 20.5 weeks on average, up from 19.8 weeks in 2008/09 and 3.3 weeks less than the national average.

2.1.4 Exhaustion of Regular Benefits

Another way to assess the adequacy of EI entitlement is to examine the degree to which claimants exhaust their regular benefit entitlement. Claims are considered exhausted if the claimants use all the regular weeks to which they are entitled. Claimants exhausted their regular benefits in 24.8% of all completed claims initiated in 2009/10. This represents a significant decline from previous years, as this proportion was approximately 30% from 2000/01 to 2003/04, 28% from 2004/05 to 2007/08, and 27.0% in 2008/09.

Most of the groups shown in Table 4 experienced a drop in entitlement exhaustion rates for claims established in 2008/09 and 2009/10. This general decrease in entitlement exhaustion rates could be attributed to the automatic entitlement adjustments linked to higher regional unemployment rates reported in this period, as well as to the implementation of the temporary EI measures under the Economic Action Plan.

Men tend to experience slightly lower entitlement exhaustion rates than women. For claims established in 2009/10, the entitlement exhaustion rate was 23.2% for men and 27.3% for women. This difference is explained by the fact that women accumulate fewer insurable hours, on average, than men do before claiming EI. As a result, they are entitled to fewer weeks of regular benefits.

TABLE 4

Entitlement Exhaustion Rates, by Demographic Group[50]

	Completed Claims Established in (%)		
	2007/08	2008/09	2009/10
Gender			
Male	27.1	26.2	23.2
Female	30.4	28.5	27.3
Age			
Under 25	28.5	28.3	26.4
25 to 44	27.7	26.3	24.4
45 to 54	26.0	25.4	22.6
55 or Older	34.3	31.0	28.0
EI History			
First-Time Claimant	34.4	32.1	29.3
Occasional Claimant	30.8	29.3	26.9
Frequent Claimant	21.1	18.4	17.1
Insurable Hours of Employment			
420 to 699 Hours	51.5	53.1	50.2
700 to 909 Hours	44.5	41.9	38.2
910 to 1,084 Hours	39.7	35.2	31.9
1,085 or More Hours	22.2	22.4	19.1
All Groups	**28.4**	**27.0**	**24.8**

[50] Exhaustion rates are based on regular claimants who used all the entitlement available to them.

Exhaustion of Regular Benefit Entitlement and the Economic Action Plan

As of March 31, 2011, a total of 1,224,730 claimants had received additional benefits under the Extension of EI Regular Benefits temporary measure and had completed their EI claim. Of that number, 71.6% (2008/09), 70.4% (2009/10) and 64.4% (2010/11) received the full five weeks that were available to them. The remaining claimants would have otherwise exhausted their benefits, meaning that the Extension of EI Regular Benefits measure prevented a total of 395,090 claimants from exhausting benefits.

As of March 31, 2011, there were 183,900 long-tenured workers who had benefited from the Extension of EI Benefits for Long-Tenured Workers temporary measure and had completed their EI claim. Of these claimants, 66.3% and 47.9% received all additional weeks that were available to them in 2009/10 and 2010/11, respectively. Given that the remaining claimants would have otherwise exhausted their benefits, the Extension of EI Benefits for Long-Tenured Workers measure prevented a total of 84,780 claimants from exhausting benefits.

TABLE 5

Entitlement Exhaustion Among Claimants Benefiting from EI Temporary Measures

		Extension of EI Regular Benefits (5 weeks)	Extension of EI Benefits for Long-Tenured Workers (up to 20 Weeks)
2008/09	Completed Claims Affected	87,910	N/A
	Claimants Exhausting Additional Entitlement	62,960	N/A
	Proportion of Exhaustees (%)	71.6	N/A
2009/10	Completed Claims Affected	573,340	59,730
	Claimants Exhausting Additional Entitlement	403,820	39,630
	Proportion of Exhaustees (%)	70.4	66.3
2010/11	Completed Claims Affected	563,480	124,170
	Claimants Exhausting Additional Entitlement	362,860	59,490
	Proportion of Exhaustees (%)	64.4	47.9
Total	**Completed Claims Affected**	**1,224,730**	**183,900**
	Claimants Exhausting Additional Entitlement	**829,640**	**99,120**
	Proportion of Exhaustees (%)	**67.7**	**53.9**

The fact that the proportion of exhaustees decreased significantly from 2009/10 to 2010/11 for these two groups of claimants suggests that the temporary measures were effective in mitigating the effects of the late-2000s recession.

Recent evaluation studies find similar results in terms of the positive effect that both of the temporary measures had on the exhaustion rate of claimants who qualified for additional weeks of regular benefits. For instance, a recent evaluation study[51] estimates that the Extension of EI Regular Benefits temporary measure decreased the probability of entitlement exhaustion by 3.2 percentage points. Another evaluation study[52] finds that among long-tenured workers who qualified for additional weeks of regular benefits under the Extension of EI Benefits for Long-Tenured Workers temporary measure, only 15.2% exhausted their benefit entitlement. According to this study, this exhaustion rate is about half the rate (29.2%) experienced by non-long-tenured workers. The evaluation also finds that the exhaustion rate for long-tenured workers ranged from a high of 32% for claimants entitled to a total of 26 to 30 weeks of regular benefits to a low of 8% for claimants entitled to a total of 66 to 70 weeks of regular benefits.

These measures began in the last quarter of 2008/09. Additional benefits under these temporary measures will be paid well into 2011/12. Therefore, as it is necessary to rely on completed claims to analyze exhaustion, the full impact of the measures on the exhaustion of regular benefits still cannot be fully analyzed in this report.

[51] HRSDC, *Extended Duration of Employment Insurance Regular Benefits (5 Week EAP Initiative)* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[52] HRSDC, *Preliminary Analysis of the Extension of Employment Insurance Regular Benefits for Long-Tenured Workers (EEILTW)* (Ottawa: HRSDC, Evaluation Directorate, 2011).

In recent years, claimants aged 45 to 54 have had the lowest rate of entitlement exhaustion, while those aged 25 to 44 have had the second-lowest rate. For completed claims established in 2009/10, these rates were 22.6% and 24.4%, respectively. Youth (individuals under the age of 25) had an entitlement exhaustion rate of 26.4%, while older workers (individuals 55 years and older) continued to register the highest entitlement exhaustion rate (28.0%), compared with an average of 24.8% for all claimants.

The likelihood of exhausting entitlement to benefits varies significantly by the type of claimant. For claims established in 2009/10, 29.3% of first-time claimants and 26.9% of occasional claimants exhausted their benefits compared with 17.1% of frequent claimants. When compared with exhaustion rates for claims established in 2008/09, rates for all three groups declined—by 1.3 percentage points for frequent claimants, 2.4 percentage points for occasional claimants and 2.8 percentage points for first-time claimants.

The largest difference in entitlement exhaustion rates is observed among claimants who accumulated fewer insurable hours before claiming EI regular benefits. Claimants who accumulated between 420 and 699 hours experienced a 50.2% entitlement exhaustion rate compared with 19.1% for claimants who had accumulated 1,085 or more insurable hours. This significant difference in entitlement exhaustion rates between these two groups is explained by the fact that claimants who qualify with the minimum number of hours (420 hours) could receive 26 to 32 weeks of regular benefits, while those claimants with 1,470 or more hours could receive 26 to 45 weeks.[53]

2.1.5 Regular Benefit Repayment

To better reflect insurance principles, high-earning claimants of regular or fishing benefits who have received at least one week of regular or fishing benefits in the preceding 10 taxation years repay part of the benefits they receive.[54] In 2009, repeat EI beneficiaries whose net income exceeded $52,875 had to repay the lesser of 30 cents of every dollar in benefits they received or 30 cents for every dollar of net income above the threshold.

For the 2009 taxation year,[55] 171,712 claimants of regular or fishing benefits repaid $197.8 million. The number of claimants who repaid benefits rose by 7.7% and the amount repaid was 21.3% higher than in 2008. On average, claimants repaid $1,152, which is 12.6% higher than in 2008 ($1,024). In 2009, claimants who repaid a portion of their benefits were on claim for an average of 12.4 weeks, or 1.3 weeks longer than in 2008, representing the second increase since 2003. These longer durations resulted in individual claimants receiving $547 more in EI benefits during the year, for a total average of $5,047, compared with $4,500 in 2008. The fact that claimants were on claim for longer is consistent with the deteriorating labour market conditions during a significant portion of 2009, which increased the time claimants needed to find a new job. Future reports will analyze the effects of the recovery from the late-2000s recession on benefit repayment.

Men remained the vast majority of those who repaid benefits. They accounted for 89.1% of the total in 2009, a slight increase from the 88.9% share they represented in 2008. The number of men and women who repaid a portion of their benefits increased by 7.9% and 6.4%, respectively. The average repayment women made in 2009 was about 87.6% that of men ($1,023 compared with $1,168). This proportion has risen every year since 2006, when it was 80.3%.

The number of claimants who repaid a portion of their benefits increased in three out of four age groups in 2009. Compared with 2008, individuals 25 to 44 years old (+7.9%), those 45 to 54 years old (+9.1%), and those 55 years and older (+8.3%) were all more likely to repay a portion of their benefits, while individuals under 25 years old were less likely to do so (-12.3%). Older workers continued to be overrepresented among those who repaid benefits. In 2009, they accounted for 22.6% of all claimants who repaid benefits, while representing 16.6% of all regular claims. Workers aged 45 to 54 were also overrepresented, as they accounted for 31.6% of those who repaid benefits and 25.5% of all regular claims. All age groups showed increases in the average repayment amounts in 2009.

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[53] Note that the exact number of weeks depends on the effective regional unemployment rate at the time the claim is established and the number of hours worked in the qualifying period.

[54] See Annex 1.1 for further details on the benefit repayment provision.

[55] As benefit repayments are administered through the tax system, the most recent data available are for the 2009 taxation year.

Individuals in the Atlantic provinces who had to repay benefits repaid higher amounts than claimants in the rest of Canada. This is due to the fact that even high-income EI claimants require more weeks to find a new job in regions of high unemployment, which is the case in much of Atlantic Canada. For instance, claimants in Prince Edward Island who repaid a portion of their benefits were on claim for an average of 18.9 weeks, while their counterparts in British Columbia had an average claim duration of 12.7 weeks. The average repayment amounts increased in all provinces, with the sole exception of Prince Edward Island (-$88). In the rest of the provinces, the average repayment increase ranged from $28 in Nova Scotia to $235 in Ontario.

2.2 Fishing Benefits

2.2.1 *Level of Fishing Benefits*

Of all the types of benefits, fishing benefits saw the only increase in claimants who received the maximum weekly benefit. The proportion of fishing claimants who received the maximum weekly benefit increased from 60.6% in 2009/10[56] to 72.7% in 2010/11. The average weekly fishing benefit increased by 3.8%, from $408 in 2009/10 to $423 in 2010/11. With this increase, the average weekly benefit for fishing claimants is now $52 higher than that of regular claimants ($371).

2.2.2 *Duration of Fishing Benefits*

In 2010/11, the average duration of all fishing claims was 21.0 weeks, a slight decrease from 21.2 weeks in 2009/10. Women claimed 2.3 weeks more than men (22.9 compared with 20.6 weeks). Fishers in British Columbia, who tend to have only one fishing season, had the second-longest average benefit duration, at 23.5 weeks. Benefit durations in the Atlantic provinces varied slightly between 20.5 and 21.6 weeks. Fishers who established one claim in 2010/11 received an average of 24.2 weeks, while fishers who established two claims received an average of 19.4 weeks on their first claim and 17.2 weeks on their second claim, for an average total of 36.6 weeks of benefits.

2.3 Special Benefits

2.3.1 *Level of Special Benefits*

The level of special benefits is less likely to be affected by economic cycles than that of regular

TABLE 6

Average Weekly Benefit, by Special Benefit

		2009/10 ($)	2010/11 ($)	Growth (%)
Parental (Biological)	Men	407	420	3.3
	Women	365	375	2.7
	Both	370	381	2.8
Parental (Adoption)	Men	444	440	-1.0
	Women	414	426	2.9
	Both	422	429	1.6
Maternity	Men	n/a	n/a	n/a
	Women	362	372	2.7
	Both	362	372	2.7
Sickness	Men	370	379	2.3
	Women	308	316	2.7
	Both	334	342	2.5
Compassionate Care	Men	396	405	2.4
	Women	340	350	2.7
	Both	356	364	2.1

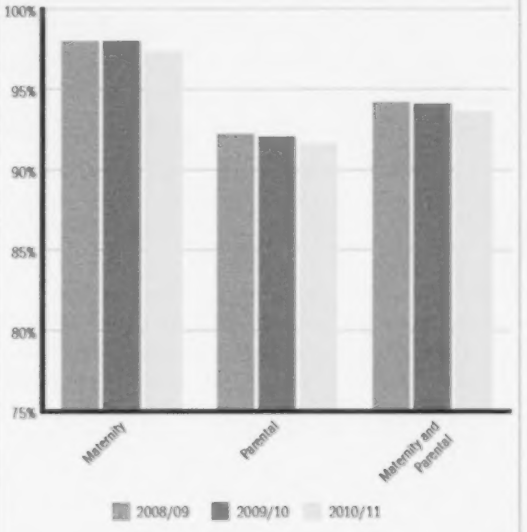
[56] Due to a difference in methodology, the actual proportion of fishing claimants receiving the maximum benefit in 2009/10 differs from the figures reported in the *2010 Monitoring and Assessment Report*.

benefits. As illustrated in Table 6, growth in the average weekly benefit rate was positive across special benefits and genders in 2010/11, with the sole exception of adoptive fathers claiming parental benefits. Almost all average weekly special benefits increased by between 2% and 3%. This general increase is in line with the increase in average weekly wages and the increase in the MIE from 2009 to 2010 and from 2010 to 2011.

Another way to assess the adequacy of special benefits is to look at the proportion of special benefit claimants who receive the maximum benefit. In 2010/11, 37.6% of special benefit claimants received the maximum benefit. While this proportion has remained relatively stable between 37% and 38% over the last four years, it is slightly lower than the proportion of regular benefit claimants who received the maximum benefit in 2009/10 (40.3%). The earning gap between men and women and their overrepresentation among regular and special benefit claimants, respectively, helps explain this difference in proportions for these two types of benefits.

CHART 7

Proportion of Entitlement Used by Maternity and Parental Claimants



2.3.2 *Duration of Special Benefits*

As previously mentioned, different time windows in EI administrative data are used to ensure the best trade-off between timeliness and accuracy in the analysis of the duration of benefits. For the duration of parental benefits, claims established in the first half of 2010/11 are used to ensure data are based on completed claims. Given the shorter duration of maternity, sickness and compassionate care benefits, all claims established in 2010/11 are used.

2.3.2.1 *Maternity and Parental Benefits*

As in previous fiscal years, analysis indicates that in 2010/11, parents used almost all of the EI maternity and parental weeks to which they were entitled. Although the vast majority of mothers received the full 15 weeks to which they were entitled, average duration of maternity benefits remained around 14.6 weeks. During the reference period, the average duration of biological parental claims per child was 32.1 weeks for parents who decided to share the parental benefits, compared with 32.2 weeks in 2009/10 and 32.3 weeks in 2008/09.[57] As indicated in Chart 7, parents used 93.6% of the full year[58] of maternity and parental benefits available to them, on average, a proportion slightly lower than that in the previous year (94.1%). The calculation of the average duration of parental claims presented above has been adjusted to reflect the fact that parents share the 35 weeks of parental benefits available to them. The measure is therefore expressed per child rather than per claim. Figures presented in annexes 3.9 and 3.10 are still calculated on a per-claim basis for the sake of year-over-year comparability. The average duration as calculated on a per-claim basis was 29.4 weeks for biological parents and 25.0 weeks for adoptive parents in 2010/11.

On average, regular claimants receiving the Family Supplement remained on claim longer than those not receiving the supplement. This was not the case, however, for claimants receiving maternity and parental benefits, as low-income and high-income families received comparable benefits. In fact, low-income claimants receiving maternity and parental benefits and the Family Supplement

[57] Data on duration of parental benefits cover claims that began during the first half of 2010/11 to ensure data are based on completed claims. It is also assumes that the same number of men and women share the parental benefits available to them.

[58] Recipients receive a full year of benefits when they combine maternity benefits with parental benefits and the waiting period.

collected an average of 46.5 weeks of benefits, similar to the number of weeks collected by high-income claimants not receiving the Family Supplement (46.8 weeks). This shows that low-income parents (who are entitled to the Family Supplement because of their low family income) use, on average, a similar amount of combined maternity and parental benefits as high-income parents (who are not entitled to the Family Supplement). Thus, the level of income does not seem to affect the amount or duration of parental and maternity benefits used. Similarly, the decision to share biological parental benefits has a limited effect on the average duration of the claim, as parents who shared parental benefits used 32.8 weeks compared with 32.0 weeks used by parents who did not share parental benefits in 2010/11.

Among all adoptive parental claims, the average duration per child was 29.7 weeks in 2010/11, compared with 31.0 weeks in 2009/10. In addition, parents who adopted used 84.9% of the full 35 weeks available to them, on average, down from 88.4% in 2009/10. The average duration and proportion of all weeks used for adoptive parental claims were lower than those for biological parental claims.

2.3.2.2 Sickness Benefits

EI provides up to 15 weeks of sickness benefits to help claimants who are unable to work due to a short-term illness, injury or quarantine. Analysis of the adequacy of sickness benefits is based on the number of weeks of sickness benefits collected. In 2010/11, sickness claimants received benefits for an average of 9.4 weeks, a figure marginally higher than that in 2009/10 and representing 62.7% of the maximum entitlement. Since 2000/01, the average duration has been relatively stable, ranging from 9.3 weeks to 9.6 weeks. In addition, in 2010/11, 31.2% of sickness claimants collected the maximum 15 weeks of benefits, which was slightly above the proportion in 2009/10 (31.0%). This proportion has also been relatively stable over the last few years.

Just less than half of sickness claimants (47.2%) in 2010/11 collected between 11 and 15 weeks of benefits (including the 31.2% who collected 15 weeks), 24.0% received between 6 and 10 weeks, and 28.8% collected between 1 and 5 weeks.

Older workers were somewhat overrepresented among those who collected the maximum 15 weeks of benefits. In 2010/11, they represented 21.7% of all EI sickness claims but 26.3% of those who collected all 15 weeks of benefits. As the proportion of sickness benefits claims made by older workers continues to increase (up from 19.7% in 2008/09 and 20.9% in 2009/10), it is expected that the proportion of workers collecting all 15 weeks of benefits will also increase.

2.3.2.3 Compassionate Care Benefits

A recent study[59] indicates that the majority of employed Canadians have care-giving responsibilities. Just over one in four (27.8%) employed Canadians cares for elderly dependents, twice as many have childcare responsibilities (54.2%), and one in six (16.8%) has responsibilities for both childcare and eldercare—in other words, they have dual demands at home in addition to the demands of being employed. The study finds that those who have childcare responsibilities alone are under less pressure than those caring for elders (either elders alone or elders in combination with children), although they still face substantive challenges related to the need to balance work and childcare.

The number of compassionate care benefit claims has grown every year since the introduction of the benefit, but the growth rate has varied over time. After growing 2.3% in 2008/09 and 2.4% in 2009/10, the number of compassionate care benefit claims grew slightly by 0.8% in 2010/11. Women have consistently represented about three quarters of all compassionate care benefit claims. They continued to do so in 2010/11, when they accounted for 73.9% of all compassionate care benefit claims, up from 73.3% in 2009/10.

On average, claimants used 4.7 weeks of compassionate care benefits or 78.3% of the maximum entitlement in 2010/11, which is consistent with the prior year. The proportion of compassionate care beneficiaries who used all of their entitlement was 75.0% in 2010/11, unchanged from the

[59] Linda Duxbury, Chris Higgins and Bonnie Schroeder, *Balancing Paid Work and Caregiving Responsibilities: A Closer Look at Family Caregivers in Canada* (Ottawa: Canadian Policy Research Networks, 2009).

proportion in 2009/10. In addition, administrative data show that almost all compassionate care benefit claimants (95.9%) used their entitlement weeks all at once, without any breaks or interruptions.

According to a recent study,[60] the main reason a claimant does not receive the entire six weeks of benefits is that the care recipient passes away while the claimant is receiving compassionate care benefits. The study also finds that those caring for a spouse are more likely to use the entire six-week period than those caring for another type of family member, and those living with the gravely ill care recipient are more likely to use the entire six-week period than those who do not live with the care recipient. Finally, claimants who combine compassionate care benefits with another type of EI benefit are less likely to use the full six weeks available to them than are those who only receive compassionate care benefits.

Although family members can share the six weeks of entitlement, 97.6% chose not to do so in 2010/11. Many compassionate care claimants received multiple types of EI benefits over the course of their claim. In 2010/11, 45.3% of compassionate care claimants combined compassionate care benefits with another type of benefit. Of these claimants, the vast majority used regular benefits (55.1%) and/or sickness benefits (54.0%).

2.3.2.4 Combining Special Benefits

Different types of special benefits can be combined within a single claim, under certain circumstances, to a potential maximum duration of 71 consecutive weeks.[61] Typically, however, the duration of the vast majority of special benefit claims is 50 weeks or less. Of all special benefit claims established in 2009/10,[62] 67.6% of claimants used only one type of special benefit, 28.0% combined two special benefits and only 4.4% combined three special benefits. In this period, no claims combined all four special benefits. Of all completed special benefit claims established in 2009/10, 96.2% lasted 50 weeks or less and only 0.5% of claims lasted 65 weeks (Among claims that started in 2009/10, no claimant received special benefits for more than 65 weeks). Among those who established a claim in 2009/10 and received a combination of over 50 weeks of special benefits, almost all (99.9%) combined maternity, parental and sickness benefits.

The only claimants to receive over 50 weeks of special benefits were women. For claims established in 2009/10, 5.7% of all women who received special benefits used over 50 weeks, representing 20,270 women, up by 2.8% from 19,720 in 2008/09. These women collected about 58.5 weeks of benefits, on average, an amount that has remained relatively stable over time. First-time claimants represented 82.4% of women who established a claim in 2009/10 and collected over 50 weeks of combined EI special benefits.

Low-income claimants and individuals receiving the Family Supplement are more likely to combine special benefits than are high-income claimants and individuals without the Family Supplement. Among claimants who established a claim in 2009/10, 11.5% of claimants who received the Family Supplement received over 50 weeks of special benefits compared with 2.7% of claimants who did not receive the Family Supplement.

3. EI and Groups of Interest

3.1 Women

3.1.1 Profile

As discussed in Chapter 2, women accounted for 47.3% of the Canadian labour force and 47.6% of all those employed[63] in the labour market in 2010/11. These proportions have been increasing gradually over the last 35 years. However, 2010/11 was the first year since 2005/06 that the female share of employment declined. The relatively lower share of female employment was not surprising, considering that the late-2000s recession disproportionately affected male-dominated industries. It was therefore expected that male employment growth would be relatively stronger than female employment growth following the recession, which has indeed been the case since the onset of the labour market recovery.

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60 HRSDC, *Compassionate Care Benefits* (Ottawa: HRSDC, Evaluation Directorate, 2011).

61 Claimants can combine weeks of special benefits to reach the maximum of 71 weeks if the weeks of special benefits are consecutive and uninterrupted by any period of regular benefits.

62 Data and analysis on duration relate to claims established in 2009/10 to ensure all claims were completed. Note that many of these claims were completed in 2010/11.

63 Defined as total employment (includes self-employed).

TABLE 7

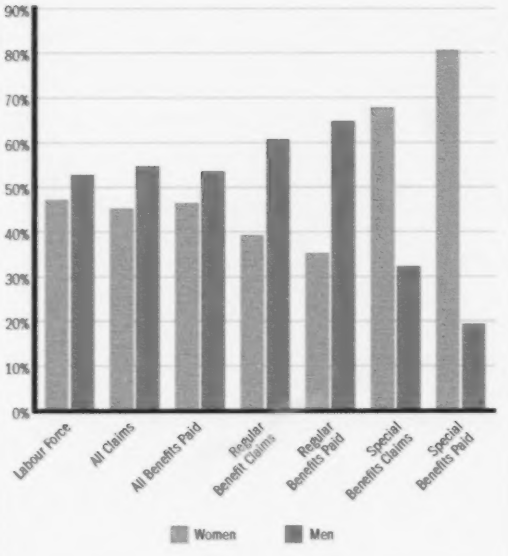
Labour Force Characteristics, by Gender, 2010/11[64]

	Women	Men
Labour force	47.3%	52.7%
Unemployment	43.5%	56.5%
Employment	47.6%	52.4%
Full time	43.0%	57.0%
Part time	66.9%	33.1%
Permanent	49.8%	50.2%
Temporary	51.3%	48.7%
Seasonal job	35.9%	64.1%
Term or contract job	53.3%	46.7%
Casual job	61.5%	38.5%
Other temporary job	55.3%	45.3%
NEREs	52.7%	43.3%

Source: Statistics Canada, Labour Force Survey.

CHART 8

Claims and Benefits Paid, by Gender, 2010/11



Source:
Statistics Canada, Labour Force Survey.

In terms of labour force characteristics, women continued to be overrepresented among part-time workers and underrepresented among full-time workers. As shown in Table 7, women represented over two thirds (66.9%) of part-time employees, while accounting for only 43.0% of full-time employees in 2010/11. Women were also overrepresented among temporary workers (51.3%), especially among casual (61.5%) and term or contract workers (53.3%).

According to the Labour Force Survey (LFS), the primary reasons individuals chose to work part time in 2010/11 were going to school (29.1%), personal preference (25.8%) and business conditions (12.8%). Women's relatively high representation in part-time employment is also linked to their higher propensity to work in industries with large proportions of part-time positions, such as accommodation and food services, trade and information, culture, and recreation.

Compared with their share of the labour force, female EI claimants are underrepresented among regular claimants and in terms of benefits paid, but overrepresented among special benefit claimants and benefits paid. Women represented 39.3% of regular benefit claimants and received 35.3% of regular benefit payments. The difference observed between the proportion of regular claims made and benefits paid may be explained by the gender difference in labour force characteristics described above. Women continue to be the main recipients of special benefits, especially parental and compassionate care benefits. In 2010/11, women represented over two thirds (67.8%) of special benefit claimants and received 80.7% of all special benefit payments. When considering total income benefits paid in relation to premiums paid, women have historically benefited more from the EI program than have men. However, in 2009, for the first time on record, male claimants received more EI benefits in relation to premiums paid than did women. Specifically, males received total income benefits equal to 115% of the premiums they paid, compared with 104% for women[65] (see Annex 3.17 for details). This increase is partially attributable to the large increase in EI benefits paid in 2009/10

[64] Proportions may not sum to exactly 100% due to small sample sizes and rounding.

[65] Note that this ratio has not been adjusted to the national figure to account for other types of benefits paid.

during the late-2000s recession as well as temporary measures introduced under the Economic Action Plan. Moreover, the relatively large increase in benefits paid for males is explained by the fact that males were disproportionately affected during the recession.

3.1.2 Access to Benefits

Women may be at a disadvantage in qualifying for EI benefits due to their higher rates of part-time employment and family obligations, which reduce their ability to accumulate sufficient work hours. Furthermore, given their labour force characteristics, women are overrepresented (52.7%) among new entrants and re-entrants (NEREs), who must accumulate more insurable hours (910 hours)[66] than non-NEREs do (420 to 700 hours, depending on the regional unemployment rate) in order to access regular benefits.[67] Nevertheless, women's access to EI regular benefits has remained high throughout the late-2000s recession and the subsequent recovery period.

According to the Employment Insurance Coverage Survey (EICS), 84.4% of unemployed women who had been paying premiums and were then laid off, or quit with just cause, were eligible to receive regular benefits in 2010, the highest proportion on record. The corresponding figure for men was 83.6% in 2010, a decrease from 87.3% in 2009. Over the last 10 years, the proportion of women who were eligible for EI regular benefits has averaged 80.8%, compared with 84.5% for men. However, 2010 is the first year on record in which women experienced a higher EICS eligibility ratio than men.

In addition, the Survey of Labour and Income Dynamics (SLID) indicates that 84.8% of all women employed as of December 2009 would have been able to access EI regular benefits had they been laid off during that month compared with 90.9% of men. Since women are more likely to be part-time workers, they tend to accumulate fewer hours than men, on average. However, the gender difference disappears if we consider only full-time workers. Of those women who worked full time, 95.0% would have had access to EI had they been laid off in December 2009, compared with 96.0% of men working full time.

Finally, administrative data show that most EI claimants were able to accumulate more than enough hours to qualify for regular benefits. Of those who claimed EI regular benefits in 2010/11, over 93% qualified with the maximum number of hours required (700 hours) or more. This proportion was identical to that of the previous year and was similar for men and women (93.4% and 92.5%, respectively).

3.1.3 Adequacy of Benefits

Throughout the late-2000s recession, women were entitled to more weeks of regular benefits than they had been in previous years. In 2010/11, as the labour market continued to recover, the average number of weeks of EI regular benefit entitlement for women decreased to 35.9 (-13.7% or 5.7 fewer weeks) and returned to pre-recession levels. The average entitlement for men also returned to pre-recession levels (36.0 weeks). The declines in average regular entitlement are explained by the recovery in employment for women, the corresponding automatic adjustment in entitlement and the cessation of temporary measures under Canada's Economic Action Plan that had extended the duration of regular benefit entitlement.

Usage of regular benefits for both women and men fell to 59.2% and 57.5%, respectively, but has remained relatively stable over time, hovering around 60%. Historically, the exhaustion rate for regular benefits has always been higher for women than for men. This statement also holds true for claims initiated in 2009/10, as 27.3% of women and 23.2% of men used all the weeks of regular benefits to which they were entitled. The slightly higher exhaustion rate for women may be due to the fact that women, on average, are entitled to fewer weeks of regular benefits, since they tend to accumulate fewer hours of insurable employment.

In terms of special benefits, the vast majority of parental benefit claims are made by women, who also tend to use a higher proportion of their parental benefit entitlement, on average, than men do. In 2010/11, biological mothers used 31.5 weeks of parental benefits compared with 16.2 weeks used by biological fathers. This difference is mainly explained by the fact that most fathers share parental benefits with their partners, while the majority of women take advantage of full parental

[66] This threshold is 840 hours in the pilot project regions.

[67] More information on the NERE provision can be found in Chapter 1.

benefits by themselves. In terms of other special benefits, women use a slightly higher proportion of sickness benefits than men do and use a similar proportion of compassionate care benefits.

Overall, women access and use the EI program on a basis that is consistent with their labour force characteristics. While women receive a proportion of regular benefits below their share of the labour force, they receive a higher proportion of special benefits and are more likely than men to benefit from the Best 14 Weeks and Working While on Claim pilot projects.[68]

3.2 Older Workers and Youth

3.2.1 Profile

Over the last several years, the Canadian labour force has continued to age, with the proportion of workers 55 and older steadily increasing and the proportion of workers under 45 declining. During the past 15 years, the participation rate of men and women aged 55 and over has climbed steadily, from 23.7% in 1995/96 to 36.2% in 2010/11. This increase can be associated with a higher participation rate for women in the labour force, rising educational attainment and an increasing desire among those older than 55 to continue working in the wake of the late-2000s recession.[69] As discussed in Chapter 2, older workers were the only age group to show an increase in employment in 2009/10. This trend for older workers continued in 2010/11, as they experienced an employment increase of 181,400 (+6.5%).

At the same time, the proportion of youth workers in the labour force has been falling steadily for the past 30 years, reaching a record low in 2010/11 (15.5%). Youth participation in the labour force showed a sharp decrease during the late-2000s recession, falling by more than 2 percentage points to 65.1% in 2009/10. The youth participation rate continued to decline in 2010/11, falling to 64.4% (-0.7 percentage points). These declines are partly explained by the decision of many youths to return to school due to a lack of job opportunities during the late-2000s recession and subsequent recovery period, a phenomenon also observed in previous recessions.

Over the years before the late-2000s recession (2000/01 to 2007/08), the number of regular claims increased for older workers, remained relatively stable for workers aged 45 to 54, and decreased for those aged 25 to 44 and for those under 25. After large increases in regular claims among older workers and youth in both 2008/09 and 2009/10 due to the severity of the recession, regular claims for older workers and youth declined in 2010/11 by 19,340 (-7.0%) and 27,700 (-14.6%), respectively. The decline in the number of EI regular benefit claims for both older and younger workers indicates that the Canadian labour market has begun to recover from the late-2000s recession.

A recent study[70] found that the earnings and occupations of older and prime-age workers are quite similar. These findings are consistent with those observed in the EI administrative data, as the characteristics of older workers who claim regular benefits are similar to those of other workers, most notably individuals aged 25 to 44.

3.2.2 Access to Benefits

Older workers usually have strong and enduring work attachment, and are therefore able to meet the EI hours-based requirements. Youth, on the other hand, tend to have weaker work attachment and to meet eligibility requirements less frequently than older workers. The 2009 SLID data reveal that 90.2% of employees aged 55 to 69 would have qualified for EI benefits had they been laid off in December 2009 (+0.4 percentage point compared with December 2008), while 63.0% (-5.2 percentage points) of youth employees would have qualified during the same period. This is another indication that youth employment has not yet fully recovered from the late-2000s recession.

NEREs, who generally have limited or no work experience, had a considerably lower EI eligibility rate than non-NERE workers (64.4% vs. 96.5%). The lower eligibility rate among NEREs is due to the fact that they are required to accumulate more hours to qualify for EI. Moreover, youth account for a disproportionate share of NEREs. According to SLID data, youth represented 13.9% of all employees in 2009 but made up 28.6% of NEREs.

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[68] EI pilot projects are discussed in greater detail later in Chapter 6.

[69] The Conference Board of Canada, *Canadian Outlook Long-Term Forecast 2011: Economic Forecast* (Ottawa: The Conference Board of Canada, 2011).

[70] Katherine Marshall and Vincent Ferrao, *Perspectives on Labour and Income: Participation of Older Workers* (Ottawa: Statistics Canada, 2007).

In addition, the latest EICS data show that, among unemployed[71] adult men who had been contributing to EI and had a job separation accepted under the program, 89.5% were eligible to receive benefits in 2010, while 89.6% of unemployed adult women were eligible. The eligibility rate for youth with a recent job separation covered by EI was among the lowest at 48.4% in 2010 (-14.4 percentage points compared with 2009). The lower eligibility rate reflects the fact that young people are more likely to have worked part time or in temporary jobs that provide fewer hours of insurable employment.

3.2.3 *Adequacy of Benefits*

The level of regular benefits that older workers and youth receive tends to be lower than that of prime-aged workers, mainly due to their lower average wages. In 2010/11, older workers had an average weekly benefit of $362 for regular benefits, lower than the national average of $371, while youth had an average weekly benefit of $338. This pattern is consistent with LFS data for average hourly wage rates in Canada, as prime-aged workers earn the highest wage rate ($24.56 per hour in 2010/11), followed closely by older workers ($24.40), while youth tend to earn significantly less than their older counterparts ($13.18).

Older workers tend to use a greater proportion of the benefits to which they are entitled and to receive EI regular benefits longer than individuals in other age groups. For claims established in 2009/10, older workers used the highest percentage of their regular benefit entitlement, at an average of 64.7%, compared with an average of 60.0% among all age groups. Furthermore, older workers received an average of 22.7 weeks of regular benefits, 1.7 weeks more than the national average in 2010/11. Youth, on the other hand, used 56.7% of their regular benefit entitlement and received, on average, 19.9 weeks of regular benefits.

Among regular claims established in 2009/10, older workers registered the highest exhaustion rate at 28.0% (-3.0 percentage points), compared with 24.8% for all regular claimants. This continued a longstanding trend in which older workers have registered the highest exhaustion rate for regular benefits. The exhaustion rate among youth was also higher than the national average, at 26.4% for claims established in 2009/10. The higher exhaustion rates for these two age groups can be partially explained by the acute difficulties these groups faced in the labour market during the late-2000s recession. Young people experienced a significant reduction in employment and many older workers who were laid off faced difficulties in finding a new job.

Regular benefit claimants who have high earnings and have received at least one week of regular or fishing benefits in the preceding 10 taxation years repay part of the benefits that they receive. Among those who repay benefits, older workers have generally been overrepresented. In 2009,[72] the number of older workers who repaid benefits increased by 8.3%, accounting for 22.6% of all claimants who repaid benefits, even though they accounted for only 18.4% of all regular claims. The number of youth who repaid benefits decreased notably by 12.3% in 2009, and they represented only 2.6% of all those who repaid benefits, while accounting for 11.6% of all regular claims. Older workers (aged 55 and older) are generally net beneficiaries of EI regular benefits. Indeed, older workers were significant net beneficiaries relative to Canada as a whole, according to the adjusted benefits-to-contributions ratios for EI regular benefits in 2009 (see Annex 3.17 for details).

Older workers comprised a significant share of those who used EI provisions introduced under the Economic Action Plan. In 2010/11, workers aged 55 and older accounted for 16.9% of Work Sharing claims, which represented a significant increase of 5.2 percentage points since 2007/08, prior to the onset of the late-2000s recession. Moreover, as of March 31, 2011, older workers made up 8.4% of the 10,275 Career Transition Assistance (CTA) initiative registered clients. Work-Sharing and the CTA initiative are discussed in greater detail later in this chapter.

Many EI provisions are designed to increase youth work attachment, such as income benefits for apprenticeship training, the Small Weeks provision and the Best 14 Weeks pilot project. These provisions are discussed in detail later in this chapter.

[71] According to the EICS, adult workers are defined as those aged 25 or older.

[72] As benefit repayments are administered through the tax system, the most recent data available are for the 2009 taxation year.

3.3 Non-Standard Workers

"Non-standard work" typically refers to part-time (less than 30 hours a week), temporary, seasonal or own-account, self-employed employment. "Standard work" is usually defined as permanent, full-time, full-year employment.

3.3.1 Part-Time and Temporary Workers

3.3.1.1 Profile

According to the LFS, there were 3.3 million part-time workers in 2010/11, representing 19.5% of employment. While the number of part-time workers has been on the rise since 2000/01, the proportion of part-time workers remained relatively unchanged at around 18% until 2008/09. The rising proportion of part-time workers in the last three years reflects the impact of the recession on the availability of employment in general and full-time employment in particular. LFS data also show that there were 1.9 million temporary workers[73] in 2010/11, representing 13.4% of all employees. The recession did not affect the proportion of temporary workers among employees. In 2010/11, it was slightly above the average of 12.8% registered over the last 10 years.

Part-time workers are overrepresented in a number of demographic groups and jurisdictions. A recent study[74] based on Canadian Out of Employment Panel (COEP) survey data from October 2004 to September 2006 shows that women were more likely to hold permanent and temporary part-time jobs than men were and that youth made up 41.3% of all temporary part-time workers (in comparison, LFS data show that youth accounted for 14.3% of total employment in 2010/11). This study also shows that those with less than a high school education made up a significant portion of temporary part-time workers at 28.3% (while representing 12.7% of total employment in 2010/11). Furthermore, workers in the Atlantic provinces comprised 15.4% of full-time temporary workers, and almost half (47.1%) of all part-time temporary workers were in Quebec. In contrast, workers in the Atlantic provinces and Quebec represented 6.8% and 23.0% of total employment in 2010/11, respectively.

The LFS suggests that 72.2% of individuals who worked part time in 2010/11 did so voluntarily. The main reasons for part-time work, expressed as a proportion of all part-time workers, were linked to school attendance (29.1%), personal preference (25.8%) and caring for children (9.4%). Other reasons included the respondent's own illness (3.4%), personal or family responsibilities (2.7%), and other reasons (1.7%). Only 10.2% of part-time workers indicated they were looking for full-time work and could not find any due to the lack of full-time employment or to business conditions in 2010/11. This figure is 4.1 percentage points higher than it was in 2007/08 (6.1%), before the recession. Individuals working part time for a full year can qualify for EI benefits with as little as 8 to 14 hours of work per week, depending on their region of residence.

3.3.1.2 Access to Benefits

According to the EICS, part-time and temporary workers have access to EI regular benefits to a lesser extent than full-time and permanent workers do. In 2010, 74.4% of unemployed part-time workers who had been paying premiums and then were laid off or quit with just cause were eligible for regular benefits, and 64.7% of other non-standard workers[75] were eligible. In comparison, 94.5% of full-time, permanent workers who had been paying premiums and then were laid off or quit with just cause were eligible for regular benefits in 2010. The 2009 SLID also indicates that part-time workers would have lower coverage if they were laid off in December 2009, at 55.3% compared with 95.6% for full-time workers. This difference could be due to the fact that many part-time and temporary workers have fewer insurable hours than their full-time, permanent counterparts.

An HRSDC study[76] profiling EI access among part-time and temporary workers indicates that a lower proportion of part-time permanent and temporary workers (32.6% and 39.1%, respectively) apply for EI benefits after separating from a job compared with full-time workers (approximately 55%), regardless if the full-time work was permanent or temporary in nature. The three main reasons for these individuals not to claim EI regular benefits are that they believe they

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[73] Temporary work includes seasonal, term, contract, casual and other temporary jobs.

[74] HRSDC, *Employment Insurance Access for Part-Time and Short-Term Workers* (Ottawa: HRSDC, Evaluation Directorate, 2009).

[75] The EICS defines other non-standard workers as people in non-permanent paid jobs that are temporary, term, contractual, casual or other non-permanent (but not seasonal) jobs. These unemployed people are not self-employed.

[76] HRSDC, *Employment Insurance Access for Part-Time and Short-Term Workers* (Ottawa: HRSDC, Evaluation Directorate, 2009).

do not have sufficient insurable hours, they find another job immediately or they feel no need to use EI benefits. The study also indicates that multiple-job holders are not negatively affected by eligibility requirements but are more likely to collect EI benefits than single-job holders are. In terms of regional comparisons, the study reveals that part-time workers in the Atlantic provinces and Quebec have higher eligibility rates than their counterparts in other provinces, except in the case of part-time temporary workers in Ontario.

3.3.2 Seasonal Workers

3.3.2.1 Profile

According to the LFS, there were 443,000 seasonal workers[77] in 2010/11, representing 22.8% of all temporary workers and 3.1% of all employees. However, according to a recent study[78] based on the COEP, the proportion of seasonal workers is around 15.8% of employment in Canada, so this group may be underrepresented in the LFS. The number of seasonal workers has increased significantly over the past 10 years, rising by 22.2% since 2000/01, but the proportion of seasonal workers among all temporary workers has remained stable at around 23% throughout the period.

EI administrative data show that the number of seasonal claimants[79] decreased significantly by 8.5% to 381,810 in 2010/11. In fact, this decrease comes after a 10-year record high of 417,430 seasonal claimants was registered in 2009/10. While the volume of frequent seasonal claims is historically less affected by labour market conditions than that of non-seasonal regular claims, the late-2000s recession and recovery certainly contributed to the recent changes in the volume of seasonal claimants.

The majority of seasonal workers claiming regular benefits were men (64.4%) and were between 25 and 54 years old (70.1%) in 2010/11. In addition, seasonal claimants account for the vast majority of frequent claims. Almost half (48.8%) of all new seasonal claims were established in three industries in 2010/11, two of which are male dominated. Construction, an industry in which men make almost all regular claims (93.1%), accounted for 24.8% of all seasonal claims and 19.2% of total regular claims in 2010/11. Manufacturing represented 11.4% of all seasonal claims and 12.4% of total regular claims. In this industry, men established 69.4% of all regular claims. The educational services industry, where women established 80.3% of regular claims, was the other industry with a large number of seasonal claimants; it accounted for 12.6% of all seasonal claims and 9.0% of total regular claims in 2010/11. Unlike education and construction, manufacturing is underrepresented among seasonal claims.

In general, about half of the seasonal claims are established in the third quarter of the fiscal year, between October and December. In 2010/11, the proportion of all new seasonal claims established in the third quarter was 52.4%. This fact mainly reflects seasonal patterns in the construction and manufacturing industries, where 70.8% and 55.1% of new seasonal claims, respectively, were established during this period in 2010/11. On the other hand, the education services industry exhibits a different seasonal trend, as over 90% of new seasonal claims in this industry are made in the first and second quarters of the fiscal year, between April and September. In 2010/11, the proportion of new seasonal claims in the education services industry established during this period was 91.2%.

Although there are seasonal claimants in all provinces, the incidence of these claims is higher in provinces where a large portion of employment is concentrated in seasonal industries. Quebec has the highest incidence of seasonality; the province accounted for 39.5% of total seasonal claims in 2010/11 compared with 31.6% of all regular claims. Conversely, Ontario accounted for 19.9% of seasonal claims but 28.5% of total regular claims. The disparity is partially explained by differences in the seasonality of their construction industries. Quebec, which accounted for 46.2% of all seasonal construction claims in 2010/11, had more than twice as many of these claims as did Ontario (20.3%). This occurred despite the fact that Ontario's construction industry employed nearly twice as many workers as did Quebec's in 2010/11.

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[77] The LFS defines a seasonal worker as an "employee working in an industry where employment levels rise and fall with the seasons, such as farming, fishing, logging and the tourist industry."

[78] HRDSC, *An Evaluation Overview of Seasonal Employment: Update* (Ottawa: HRSDC, Evaluation Services, 2009).

[79] Seasonal claimants are frequent regular benefit claimants who started previous claims at about the same time of year as the current claim. Frequent claimants are individuals who have had three or more active claims in the five years before the current claim.

The Atlantic provinces, which rely heavily on seasonal industries, also had high incidences of seasonal claims. The four Atlantic provinces together accounted for 27.6% of seasonal claims but only 16.3% of total regular claims in 2010/11. British Columbia, on the other hand, accounted for only 6.3% of total seasonal claims and 11.6% of all regular claims.

A recent study[80] on seasonal workers confirms many of the findings already presented: that this type of worker is more likely to be male, to have a low level of education and to have fewer family dependants than workers in general. These workers are also more prominent in eastern provinces and in primary industries.

3.3.2.2 Access to Benefits

The EICS shows that access to regular benefits for seasonal workers is higher than that for other non-standard workers[81] but lower than that for full-time, permanent workers. In 2010, 83.6% of unemployed seasonal workers who had been paying premiums and then were laid off or quit with just cause were eligible for regular benefits. On the other hand, 64.7% of other non-standard workers in that same situation were eligible for regular benefits in 2010 compared with 94.5% of full-time, permanent workers. EI administrative data show that the difference in access to regular benefits between seasonal and full-time, permanent workers is due to the lower number of insurable hours seasonal claimants accumulate. Of those who claimed EI regular benefits in 2010/11, over 93% had a minimum of 700 hours of insurable employment, which is the maximum amount of hours required to qualify for EI benefits. The proportion for seasonal claimants was slightly lower at 90%.

3.3.2.3 Adequacy of Benefits

Seasonal claimants, like all regular claimants, were entitled to more weeks of benefits during the recession. In 2010/11, seasonal claimants had an average entitlement of 34.5 weeks of regular benefits, a drop from 39.0 weeks in 2009/10. Despite this recent decrease, entitlement to regular benefits is returning to pre-recession levels, which was 31.9 weeks in 2007/08.

Compared with all regular claimants, seasonal claimants tend to use less of their entitlement. Seasonal claimants used, on average, 55.4% of their regular entitlement for claims established in 2009/10[82] and 56.6% for claims established in 2008/09. In comparison, regular claimants used 58.1% of their entitlement for claims established in 2009/10 and 59.7% for claims established in 2008/09.

Correspondingly, the average duration of regular benefits for seasonal claimants is also shorter than that for all regular claimants. On average, seasonal claimants who established a claim in 2009/10 received 20.1 weeks, while regular claimants received an average of 23.8 weeks. The same holds true for claims established in 2008/09 as seasonal claimants received 19.3 weeks, while regular claimants received 21.9 weeks.

In addition, the exhaustion rate has always been lower for seasonal claimants than for regular claimants as a whole. This statement also holds true for claims initiated in 2009/10, as 15.4% of seasonal claimants used all the weeks of regular benefits to which they were entitled, while the exhaustion rate for all regular claimants was 24.8%. The exhaustion rate for seasonal claimants for claims established in 2009/10 marked a record low for the last 10 years. This fact further illustrates the responsiveness of the EI program, as entitlement increased in response to the deterioration of regional labour market conditions. The decline in the exhaustion rate can also be attributed to the introduction of the temporary EI measures under the Economic Action Plan, which provided additional weeks of regular benefits for some claims established in 2008/09 and all claims established in 2009/10.

The lower use of entitlement, shorter benefit durations and lower exhaustion rates for seasonal claimants are due to the nature of seasonal work. When seasonal claimants are laid off, most have a job already lined up for the next season and will return to work at

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[80] HRDSC, *An Evaluation Overview of Seasonal Employment: Update* (Ottawa: HRSDC, Evaluation Services, 2009).

[81] The EICS defines other non-standard workers as people in non-permanent paid jobs that were temporary, term, contractual, casual or other non-permanent (but not seasonal) jobs. These unemployed people were not self-employed.

[82] Data analysis is based on all completed claims initiated in 2009/10 to ensure that all claims in question have been terminated.

approximately the same time the following year. However, most regular claimants have to look for work once they are laid off. Therefore, non-seasonal regular claimants are more likely to rely on EI for longer periods and are more likely to exhaust their benefits than are their seasonal worker counterparts.

The level of entitlement and duration of regular benefits have a particular impact on seasonal claimants who have a combined work-benefit period of less than 52 weeks per year. This group of claimants is referred to as "seasonal gappers." These workers may go through a period where neither work income nor EI is available to them, if the seasonal job to which they are returning is not yet available when they exhaust their EI benefits.

Among people who initiated claims in 2009/10, most of which were completed in 2010/11, there were 8,610 seasonal gappers, up 47.7% from the 5,830 seasonal gappers who established claims in 2008/09. Despite this recent increase, the number of seasonal gappers remains much lower than it was before the recession: 12,970 for claims established in 2007/08 and 20,300 for claims established in 2006/07. The seasonal gappers who initiated claims in 2009/10 averaged 13.7 weeks of work and 32.3 weeks of EI, including the waiting period. This left an average gap of 6.0 weeks during which they had no income, a gap slightly lower than that for claims established in 2008/09 (6.2 weeks).

As mentioned in previous reports, the likelihood of becoming a seasonal gapper is higher in regions of high unemployment, where claimants require fewer hours to qualify for benefits. Quebec (36.2%) and the Atlantic provinces (33.2%) accounted for almost 70% of seasonal gappers in 2009/10, while representing 30.4% and 14.7% of all regular claims established in 2009/10, respectively. Ontario (11.4%) and British Columbia (12.5%) also accounted for a large number of seasonal gappers in 2009/10, but the proportions are smaller than these provinces' proportions of regular claims (30.1% and 11.7%, respectively).

An EI pilot project was introduced to help address the issue of income gaps that some seasonal workers face. This pilot project, which provided five additional weeks of entitlement of EI regular benefits, ran from June 6, 2004, to February 28, 2009, in regions of high unemployment.[83] The project tested whether an additional five weeks of benefits would address the annual income gap that seasonal gappers face and whether this approach would have any adverse labour market effects. An evaluation of the pilot project[84] indicates that it achieved its primary objective: reducing the number of seasonal gappers. The evaluation also shows that other workers, such as non-seasonal workers and non-gappers, also received extra weeks of benefits. The study determined that almost 75% of the payments made under the pilot project went to claimants who were neither seasonal gappers nor seasonal workers.

3.3.3 Self-Employed Individuals

3.3.3.1 Profile

According to the LFS, there were 2.66 million self-employed individuals in 2010/11, a decrease of 1.2% from 2.70 million in 2009/10. As the number of self-employed individuals tends to increase during a recession, the number had increased for three consecutive years previously, with an increase in 2009/10 (+2.4%) was preceded by increases in 2007/08 (+4.5%) and 2008/09 (+0.5%). The 2.4% increase in the number of self-employed individuals in 2009/10 contrasted with the 1.9% decrease in the number of employees in 2009/10, which was the first decrease in the number of employees since the early-1990's recession.

The proportion of self-employed individuals among all employed people decreased from 16.0% in 2009/10 to 15.6% in 2010/11. This proportion has hovered around the 15% mark throughout the past decade. Historically, most self-employed individuals have been men. In 2010/11, 65.2% of all self-employed people were men, up from 64.3% in 2009/10. The trend over past decade shows that this proportion has remained relatively constant at around 65%.

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[83] The pilot project was replaced by the Extension of EI Regular Benefits temporary measure from March 1, 2009, until September 11, 2010. The pilot project was then reintroduced from September 12, 2010, to September 15, 2012. For more information on the pilot project and the temporary measure, please see Annex 1.

[84] HRDSC, *An Evaluation of the Pilot Project to Extend Employment Insurance Benefits by Five Weeks: 2004–2009* (Ottawa: HRSDC, Evaluation Services, 2010).

Among the provinces, Ontario (38.2%), Quebec (20.5%), British Columbia (16.0%) and Alberta (13.0%) had the greatest proportion of self-employed individuals in 2010/11. Between 2006/07 (the last decrease in the national number of self-employed people) and 2010/11, the provinces with the greatest increases in the number of self-employed people included Nova Scotia (+11.7%), Ontario (+9.1%) and Quebec (+8.1%).

British Columbia and Alberta have the highest share of national self-employment, when compared with their share of national employment. British Columbia accounted for 16.0% of self-employment in Canada, while comprising 13.2% of national employment in 2010/11. Alberta accounted for 13.0% of self-employment in Canada, while comprising 11.9% of national employment in 2010/11.

3.3.3.2 Access to Benefits

Self-employed people, including fishers, must undertake paid employment to access EI regular benefits. However, the Government of Canada recently extended special benefits (maternity, parental, sickness and compassionate care benefits) to self-employed Canadians on a voluntary basis. Self-employed persons have been able to opt into this aspect of the EI program since January 31, 2010, with benefits being paid as of January 1, 2011.[85]

As of March 31, 2011, a total of 7,114 self-employed individuals had opted to participate in the EI program for special benefits, of which 2,484 opted in during the last two months of 2009/10 and 4,630 in 2010/11.

Among all those who opted into the new measure, self-employed individuals from Ontario accounted for 2,672 participants, comprising 37.6% of the national total. Self-employed individuals from Quebec accounted for 1,750 participants, or 24.6% of the national total. Compared with their share of national self-employment, Ontario was slightly underrepresented among EI participants, while Quebec was overrepresented.

British Columbia (1,149; 16.2%) and Alberta (752; 10.6%) also had a large share of EI participation among self-employed individuals. While British Columbia was represented in a similar proportion to its share of self-employment, Alberta was underrepresented.

3.3.3.3 Adequacy of Benefits

From January 2011, when self-employed persons were first eligible to make claims for special benefits, to March 31, 2011, self-employed workers made 259 EI special benefit claims and received a total of $0.74 million in special benefit payments.

Due to the limited data for 2010/11, further analysis of the adequacy of special benefits for self-employed individuals will be provided in the *2012 EI Monitoring and Assessment Report*. Preliminary analysis indicates that the vast majority of EI special benefit claims established by self-employed individuals in 2010/11 were made by women and by those aged 25 to 34.[86]

The above analysis does not include data for maternity and parental benefits in Quebec for self-employed individuals, as these benefits are offered under the Quebec Parental Insurance Plan (QPIP). Data for sickness and compassionate care benefits for Quebec are included.

3.4 Benefits to Low-Income Families: Family Supplement

3.4.1 Profile

The Family Supplement provision provides additional income support to low-income families with children, by increasing the benefit rate of 55% to a maximum of 80% for claimants with a net yearly family income of $25,921 or less.[87] As indicated in Chapter 3, approximately 109,590 individuals received the Family Supplement top-up in 2010/11.[88]

Women are more likely than men to receive the Family Supplement top-up. In 2010/11, women represented 77.5% of Family Supplement recipients, which is an increase from the proportion in

[85] For more details on the special benefits available to self-employed people, please see Annex 1.
[86] HRDSC, *Employment Insurance Special Benefits for Self-Employed Canadians* (Ottawa: HRSDC, Evaluation Services, 2012).
[87] More detailed information on the Family Supplement can be found in Chapter 1.
[88] This analysis includes all claim types (regular, fishing and special benefits).

2009/10 (76.3%). This proportion has been consistently around 76% for the past several years. In 2010/11, the proportion of female recipients of the Family Supplement was higher for special benefits (89.6%) than for regular benefits (70.5%). In addition, 10.2% of women who claimed EI were entitled to the Family Supplement compared with 2.4% of men in 2010/11.

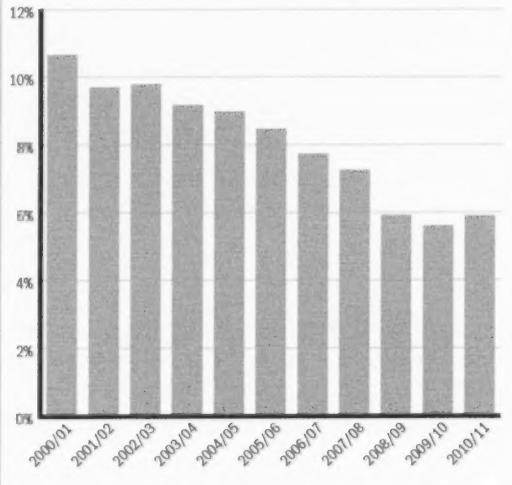
Beneficiaries of the Family Supplement top-up vary by age and by province. In 2010/11, youth (less than 25 years old) and individuals 25 to 44 years old represented 11.8% and 48.8%, respectively, of all new EI claimants. However, these two groups represented 14.3% and 69.9% of all claimants receiving the Family Supplement. Provincially, Quebec was underrepresented among those who received the Family Supplement compared with its proportion of all new EI claimants in 2010/11 (22.6% vs. 27.4%), while Ontario was overrepresented (33.5% vs. 30.7%).

In 2010/11, low-income families received $129.7 million in additional benefits through the Family Supplement. After rising to $143.2 million in 2009/10, which was the first increase since 2002/03, total Family Supplement payments decreased (-9.4%) in 2010/11. This decline is attributable to a similar decrease in the number of claimants receiving the Family Supplement top-up (-8.9%). Total Family Supplement payments decreased for both genders and for all age groups in 2010/11, with youth (-12.1%) and male workers (-12.1%) experiencing the largest declines. In 2010/11, the average weekly top-up also decreased to $42.31, from $42.73 in the previous year. The weekly Family Supplement top-up amount has averaged $42.50 since 2005/06.

3.4.2 Access to Benefits

The number of individuals who received the Family Supplement top-up in 2010/11 (109,590) represents a significant decline from the previous year (120,290).[89] Despite this decrease, the proportion of all EI claimants receiving the Family Supplement top-up increased from 5.6% in 2009/10 to 5.9% in 2010/11. This proportional increase occurred because the overall number of EI claimants from 2009/10 to 2010/11 fell more (-14.7%) than did the number of claimants receiving the Family Supplement (-8.9%). That being said, the proportion of claimants receiving the Family Supplement top-up has been dropping over the past 11 years, as illustrated by Chart 9. The overall decline in the share of these claims is due largely to the fact that the Family Supplement threshold has been held constant while family incomes have continued to rise.

CHART 9
Proportion of Claimants Receiving the Family Supplement



3.4.3 Adequacy of Benefits

A study on the financial impact of receiving EI[90] concludes that low-income families have a higher benefits-received-to-contributions ratio than high-income families do. In fact, families with after-tax income below the median received 34% of total benefits and paid 18% of all premiums. The study also finds that EI reduces the incidence of low income among beneficiaries by half (from 14% to 7%). The study considers different sources of income that unemployed individuals can rely on and concludes that EI is the most significant income-stabilizing factor among beneficiaries. Another study[91] finds that EI tends to mitigate the financial hardship of unemployment and noted that

[89] This assessment includes all claim types (regular, fishing and special benefits).
[90] Costa Kapsalis, *Financial Impacts of Receiving Employment Insurance* (Ottawa: Data Probe Economic Consulting Inc., 2010).
[91] Costa Kapsalis, *Employment Insurance and the Financial Impact of Unemployment* (Ottawa: Data Probe Economic Consulting Inc., 2010).

for the period analyzed, 2004 to 2009, benefits were the main source of household income for about half of all EI beneficiaries.

In general, recipients of the Family Supplement top-up are entitled to fewer weeks of regular benefits than non-recipients but collect more weeks of regular benefits and use a higher percentage of their entitlement. Among claims established in 2009/10,[92] Family Supplement recipients were entitled to an average of 37.3 weeks of regular benefits, while non-recipients were entitled to 43.2 weeks. However, recipients used 2.6 more weeks of regular benefits, on average, than those without the Family Supplement (26.2 weeks and 23.6 weeks, respectively). In addition, claimants who received the top-up used an average of 71.2% of their total regular entitlement compared with 57.4% for those who did not receive the Family Supplement. While the number of claimants receiving the Family Supplement top-up has been on the decline, this analysis suggests that recipients of the supplement rely on regular benefits more than non-recipients do and that the top-up continues to provide important additional temporary income support for low-income families.

3.5 Apprentices

3.5.1 *Profile*

Apprenticeship is a key component of Canada's training system and an important contributor to our national competitive advantage and the long-term well-being of Canadians. An apprenticeship leads to a certification in a skilled trade. The training takes from two to five years, depending on the trade. Apprenticeship is a structured system composed primarily of supervised on-the-job training supported by shorter periods of intensive, in-class technical instruction, during which apprentices develop new skills and gain hands-on experience, both of which they can use immediately in the workplace. In many apprenticeship programs, these in-class technical training periods interrupt the on-the-job work training component for several weeks per year. Therefore, the EI program facilitates apprenticeship training by providing EI benefits to apprentices during periods of classroom training in approved courses.

In 2010/11, individuals established 38,380 new apprenticeship claims, which represented a significant decrease of 12.2% from the previous year. This is the third consecutive and largest decline since 2007/08. Following the drop in apprenticeship claims, total benefits paid decreased by 19.1%, from $212.8 million in 2009/10 to $172.3 million in 2010/11. However, apprentices received higher average weekly benefits than the average EI claimant ($418 vs. $370).

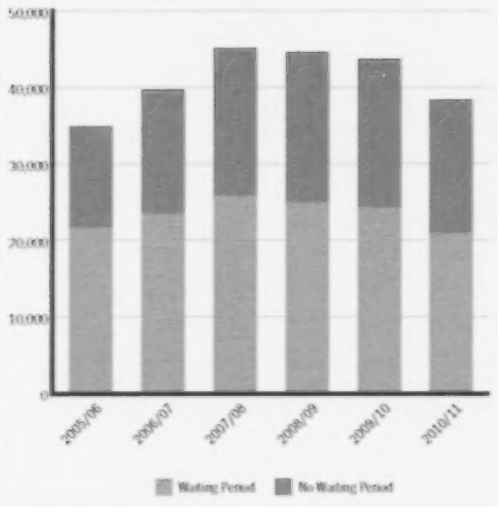
Since 2000/01, Ontario, Alberta and British Columbia have consistently accounted for approximately 80% of all EI claims established by apprentices. However, this proportion has been declining in recent years. The combined percentage of apprenticeship claims established in these three provinces was 78.9% in 2008/09, 78.7% in 2009/10 and 77.5% in 2010/11. The reason for this decline is that there have been proportional increases in the number of apprenticeship claims in Saskatchewan, Manitoba and New Brunswick during the same time period. In 2010/11, the proportion of apprenticeship claims was higher than the proportion of all EI claims in several regions: Alberta (35.3% vs. 8.2%), the other Prairie provinces (12.7% vs. 5.6%) and, to a lesser extent, British Columbia (17.2% vs. 12.3%). On the other hand, Ontario (25.0% vs. 30.7%) and the Atlantic provinces (8.9% vs. 15.5%) had a lower proportion of apprenticeship claims relative to all EI claims in 2010/11.

Typically, apprenticeship claimants are male, are younger than 45 and work in the construction industry. In 2010/11, almost all apprenticeship claimants were younger than 45 (97.6%) and, among these claimants just over half (50.8%) were under 25. Furthermore, men made 96.5% of all apprenticeship claims in 2010/11. The construction industry is traditionally overrepresented in the number of new apprenticeship claims. In 2010/11, this industry accounted for 55.9% of all new apprenticeship claims, while the next four industries with the largest number of apprenticeship claims (manufacturing, wholesale trade, retail trade and other services) combined accounted for 28.8%. By way of comparison, the construction industry accounted for 16.1% of all EI claims in 2010/11, while the other four industries combined accounted for 27.1%.

[92] Data and analysis on the duration of Family Supplement payments relate to claims established in 2009/10 to ensure that all claims were completed. Note that many of these claims were completed in 2010/11.

CHART 10

Number of New Apprenticeship Claims Established



3.5.2 *Access to Benefits*

Apprentices who are collecting EI while away from work on training are required to serve only one two-week waiting period per apprenticeship, even if the apprenticeship program includes multiple separate training segments. Among all apprenticeship claims established in 2010/11, a total of 45.8% (17,560) were not subject to a waiting period, similar to the proportion recorded in the previous two years (see Chart 10). The proportion of apprentices who are not subject to a waiting period has been rising consistently since 2002/03, when the waiting period rule for apprentices was changed.

3.5.3 *Adequacy of Benefits*

While apprentices tend to have an entitlement similar to that of non-apprentices, they use fewer weeks of benefits, which is consistent with the relatively short duration of in-class apprenticeship training. In 2010/11, apprenticeship claims had an average entitlement of 37.9 weeks, just slightly higher than non-apprenticeship claims (36.4 weeks). However, average duration of apprenticeship claims was 10.5 weeks compared with 21.5 weeks for non-apprenticeship claims. The average duration of apprenticeship claims dropped from 11.4 weeks in 2009/10 to 10.5 weeks in 2010/11, which is consistent with the drop in average claim duration for non-apprenticeship claims over the same time period (22.4 weeks to 21.5 weeks).

3.6 Immigrants

3.6.1 *Profile*

To better understand EI receipt among immigrants, data from Statistics Canada's Longitudinal Immigration Database (IMDB), Employment Insurance Coverage Survey (EICS) and Survey of Labour and Income Dynamics (SLID) were examined, along with taxation data from the Canada Revenue Agency (CRA).

The IMDB analysis examined the proportion of all immigrant[93] tax filers who reported EI income in addition to employment earnings. For the 2008 taxation year, recent immigrants (those who landed in 2007 or 2008) had EI usage rates comparable to those of youth workers and NEREs in Canada. As shown in Chart 11, few recent immigrants (7.9%) with employment earnings received EI benefits in 2008.

However, as immigrants build labour force attachment, they have greater access to the EI program and are more likely to receive benefits. In 2008, EI usage was highest among immigrants who had arrived in 2003 or 2004 at 18.2%.

3.6.2 *Access to Benefits*

Since 1997, when data from the EICS first became available, unemployed immigrants have been slightly less likely than unemployed Canadian-born participants in the labour force to be eligible for EI benefits.

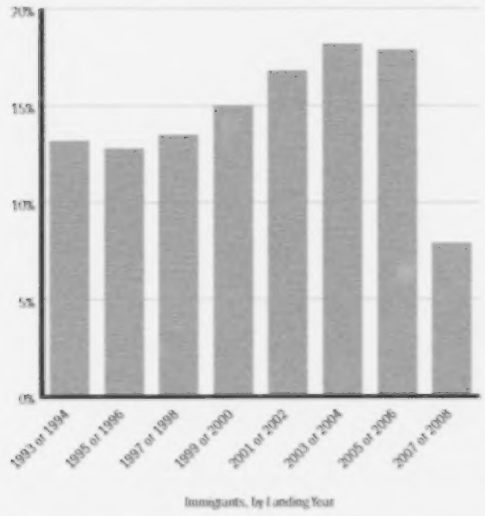
EICS analysis shows that, among unemployed immigrants who had a recent job separation that was accepted under EI rules, the eligibility rate for regular benefits was 80.7% in 2010, down from 84.3% in 2009. This was lower than the eligibility rate for unemployed Canadian-born participants in the labour force, which was 84.8% in 2010, down from 86.7% in 2009. In 2002 and 2007, however, the eligibility rate was greater for immigrants than for Canadian-born workers.

To provide an alternative perspective on immigrants' eligibility for EI regular benefits, recent SLID shows that recent immigrants' eligibility rate is higher than the national average among the employed

[93] IMDB data are based on immigrants who are permanent residents of Canada.

CHART 11

Percentage of Immigrants With Employment Earnings Who Received Employment Insurance, 2008



Source:
Statistics Canada, Longitudinal Immigration Database, and Canada Revenue Agency, taxation data.

population. An analysis of 2009 SLID data reveals that 88.1% of recent immigrant workers would have been eligible for EI benefits if they had been laid off in a hypothetical scenario in December 2009. That figure was slightly higher than the national average of 87.8%. This was in contrast to findings from the previous year. The 2008 SLID analysis shows that 86.1% of recent immigrant workers could have qualified for EI benefits if they had been laid off in December 2008 compared with the national average of 89.3% during the same period.

II. EI AND THE ECONOMY

1. Responsiveness to Economic Conditions

During the late-2000s recession, EI automatically provided workers easier access to the program, longer benefit durations and higher benefit rates (through the automatic changes to the divisor) in regions severely affected by worsening economic conditions.

TABLE 8

Number of Hours of Insurable Employment Required to Qualify for Benefits

Regional Rate of Unemployment	Required Number of Hours of Insurable Employment in the Last 52 Weeks
6% or less	700
6.1% to 7%	665
7.1% to 8%	630
8.1% to 9%	595
9.1% to 10%	560
10.1% to 11%	525
11.1% to 12%	490
12.1% to 13%	455
13.1% or more	420

More precisely, specific components of the EI program, such as the Variable Entrance Requirement (VER), benefit entitlement and the minimum divisor provisions,[94] are designed to automatically respond to changes in regional unemployment rates.

By reflecting changes in regional labour markets, EI plays an important role as an automatic stabilizer. As such, EI smoothes out the effects of economic cycles and, therefore, helps attenuate associated negative consequences on workers and employers. The EI program's role as an automatic stabilizer is particularly important during a recession and the subsequent recovery period.

1.1 Access to the Program, Due to Variable Entrance Requirements

Since the entrance requirements automatically ease when unemployment rates increase, a significant number of individuals who qualified for EI regular benefits during the late-2000s recession would not have qualified without the VER provision. From October 2008, when the recession started, to March 2010, there were 37,420 individuals who were able to qualify for EI regular benefits as a direct result of eased entrance requirements. This represented 1.5% of the regular claims established over this period.

[94] See Chapter 1 for a complete table on entitlement to EI regular benefits and a table on the minimum divisor provision.

TABLE 9

EI Regular Claimants Able to Qualify due to Lower Insurable Hours Required, October 2008 to March 2010

	EI Regular Claimants Able to Qualify due to Lower Entrance Requirements	All Other EI Regular Claimants
No. of Claims	37,420	2,501,230
Avg. Insurable Hours	599	1,408
Avg. Weekly Benefit Rate	$297	$371
% of Entitlement Used	71.1%	50.9%

The automatic adjustment to the entrance requirements was essential for workers who were the most vulnerable during the late-2000s recession, such as those with weak work force attachment and those with lower average earnings (see Table 9 for details).

Individuals who were only able to qualify as a direct result of eased entrance requirements accumulated, on average, 599 insurable hours (about 16 weeks of full-time work) and received $297 in weekly regular benefits. In comparison, individuals who would have qualified even if the entrance requirements had remained at October 2008 levels accumulated 1,408 insurable hours (about 38 weeks of full-time work) on average and received $371 in weekly regular benefits.

The proportion of regular entitlement used shows how much beneficiaries rely on the program. While the beneficiaries who did not require the eased entrance requirements to qualify used 50.9% of their entitlement weeks, the 37,420 beneficiaries who did require it used 71.1% of their entitlement.

1.2 Adequacy of the Program, Due to Variable Entrance Requirements

A study[95] examining the effectiveness of the EI program as an automatic stabilizer for the Canadian economy found that the EI program remained a very important stabilization system during the late-2000s recession, as it had been during the two previous major recessions in the early-1980s and early-1990s. Findings suggest that the stabilization properties of the EI program helped save 51,000 jobs in 2009, 128,000 jobs in 2010 and 178,000 jobs by 2011. The 'saving' of 51,000 person-years in 2009 represented just under 12% of the actual employment losses suffered in 2009. Furthermore, the economic contraction was considerably less severe because of the stabilization properties of EI, in terms of real GDP. In particular, real GDP would have been 0.6% lower in 2009, 1.4% lower in 2010 and 2.1% lower by 2011 without the effect of the EI program.

2. EI and the Economic Regions

The EI program's effectiveness as a stabilizing force in the economy is further demonstrated by its responsiveness to fluctuations in regional unemployment rates across the country.

2.1 Access to and Adequacy of the EI Program, by EI Economic Region

A significant number of EI economic regions in Canada witnessed considerable increases in regional unemployment rates during the late-2000s recession. As a result, most individuals who established a claim for EI regular benefits in these regions experienced easier access to the EI program.

2.1.1 Access to the Program during the Late-2000s Recession

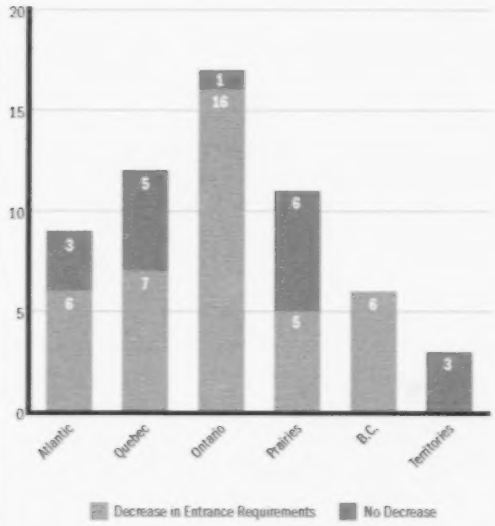
Between the onset of the recession in October 2008 and the peak in the national unemployment rate in August 2009, the increase in regional unemployment rates resulted in lower entrance requirements for EI regular benefits for workers in 40 of the 58 EI economic regions, representing 82.9% of the national labour force in August 2009. All regions in British Columbia (6), Alberta (4), Nova Scotia (3), and Prince Edward Island (1) witnessed lower entrance requirements between October 2008 and August 2009, in addition to nearly all of the regions in Ontario (16 out of 17). As well, there were lower entrance requirements in 7 of the 12 regions in Quebec, 2 of 3 regions in New Brunswick and 1 of 4 regions in Saskatchewan (see Chart 12).

Among the remaining 18 EI economic regions, 8 already had the minimum entrance requirement of

[95] Peter Dungan and Steve Murphy, *The Stabilization Impact of the Employment Insurance Program* (Toronto: University of Toronto, Rotman School of Management, 2012).

CHART 12

EI Economic Regions with Decrease in Entrance Requirements, October 2008 to August 2009



Source:
EI administrative data.

420 hours in October 2008, due to their regional unemployment rates being greater than 13%, and their entrance requirements were still 420 hours in August 2009.[95] In contrast, 7 regions had the maximum entrance requirement of 700 hours in October 2008, due to their regional unemployment rates being 6% or lower, and their entrance requirements were still 700 hours in August 2009.[96]

Another two regions had the same entrance requirements in both October 2008 and August 2009, as their regional unemployment rate did not vary enough to change the entrance requirements. In one EI economic region, Bas-Saint-Laurent–Côte-Nord in Quebec, the entrance requirement increased from October 2008 to August 2009, as the regional unemployment rate declined from 12.5% to 11.4%.

2.1.2 Adequacy of the Program During the Late-2000s Recession

In addition to the automatic decrease in entrance requirements, the EI program also automatically increases the maximum entitlement to regular benefits when regional unemployment rates increase. Entrance requirements vary for EI regions when unemployment rates fluctuate between 6.0% and 13.1%. Entitlement duration, however, varies for EI regions when unemployment rates fluctuate between 6.0% and 16.1%.

There were longer benefit durations for workers in 40 of the 58 EI economic regions between October 2008 and August 2009 due to increases in regional unemployment rates.[97] These 40 regions were the same regions that witnessed a decrease in entrance requirements between October 2008 and August 2009. Workers in these 40 regions represented 82.9% of the Canadian labour force in August 2009.

2.1.3 Access to the Program During the Recovery

As discussed in Chapter 2, the Canadian labour market experienced a somewhat moderate recovery since the peak in the national unemployment rate in August 2009. Between August 2009 and the end of the reporting period in March 2011, decreases in regional unemployment rates resulted in higher entrance requirements for workers in 29 EI economic regions, representing 61.0% of the national labour force.

Among the remaining 29 EI economic regions, the regional unemployment rate rose in 7 regions between August 2009 and March 2011, and the entrance requirements decreased accordingly. These regions included 3 in British Columbia (Abbotsford, Vancouver and Southern Coastal British Columbia), where regional unemployment rates had already risen significantly in the midst of the recession in early 2009. Other regions included Western Nova Scotia, Fredericton–Moncton–Saint John, Hull and Ottawa.

[95] These regions included Northern Manitoba and Northern Saskatchewan, where the unemployment rate tends to be significantly high, and Yukon, Northwest Territories and Nunavut, where the unemployment rates are set at 25% for EI purposes. Other regions included Newfoundland and Labrador, Restigouche-Albert and Gaspésie-Îles-de-la-Madeleine.

[96] These regions included Quebec, Hull, Ottawa, Winnipeg, Southern Manitoba, Regina and Saskatoon.

[97] The Extension of EI Regular Benefits temporary measure extended the duration of regular benefits by another 5 weeks, for all claims active or starting between March 1, 2009 and September 11, 2010. For long-tenured workers, the Extension of EI Benefits for Long-Tenured Workers temporary measure provided up to 20 additional weeks of benefits, for those who made claims between January 4, 2009 and September 11, 2010. The Extended Employment Insurance and Training Incentive (EEITI) extended regular benefits to a maximum of 104 weeks to qualifying participants. Please see Annex 1 for more information.

In addition, 8 regions maintained the minimum entrance requirement of 420 hours between August 2009 and March 2011, while 5 regions maintained the maximum entrance requirement of 700 hours. The unemployment rate in the remaining 9 regions did not vary significantly enough to change the entrance requirements.

2.1.4 Adequacy of the Program During the Recovery

The decrease in unemployment rates between August 2009 and March 2011, due to the moderate recovery of the Canadian labour market, also affected the duration of regular benefits. Benefit durations decreased for workers in 29 of the 58 EI economic regions between August 2009 and March 2011, due to increases in regional unemployment rates.[99] Workers in these 29 regions represented 61.0% of the Canadian labour force in August 2009.

The 7 regions that witnessed a decrease in entrance requirements between August 2009 and March 2011, as discussed above, also experienced an increase in benefit entitlement, as regional unemployment rates increased during that period.

2.2 Access to and Adequacy of the EI Program, by Major Urban Centres and Rural Regions

Canada comprises both major urban centres that are significant economic hubs and rural regions that preserve more traditional industries that are essential to the functioning of the economy. Canada's regions have diverse labour market characteristics and, as a result, the use of regular benefits differs among these regions. The six largest census metropolitan areas in terms of population—Vancouver, Calgary, Edmonton, Toronto, Ottawa and Montréal—are used to characterize the profiles of EI regular benefit claimants in major urban centres.

2.2.1 Access to the Program

Among the 1.4 million EI regular claims in 2010/11, there were 443,050 regular claims from the six major urban centres described above and 683,930 regular claims from the rural regions of Canada.[100]

EI regular claims in major urban centres comprised 31.7% of all new claims established in 2010/11, decreasing from 33.2% in 2009/10. On the other hand, claims in rural regions comprised 49.0% of all new regular claims established in 2010/11, increasing from 47.6%. However, major urban centres accounted for 46.5% of national employment, while rural regions accounted for 31.1% in 2010/11. This analysis suggests that claimants from rural regions were over-represented among EI regular claimants in 2010/11. One possible explanation for this situation is the higher average unemployment rate in rural regions (9.8% in 2010/11). In comparison, the average unemployment rate in major urban centres was 8.1%. The difference in the average unemployment rates resulted in differing entrance requirements, with rural regions having a lower average entrance requirement during the fiscal year.

EI administrative data also show that there is a difference between urban and rural regions in the average insured hours that claimants have when establishing an EI claim. On average, in 2010/11, regular claimants in major urban centres established an EI claim with 1,417 insured hours, while those in rural regions established an EI claim with 1,264 insured hours. This finding is partially due to rural regions having higher unemployment rates on average, as discussed above, and subsequently, a lower average entrance requirement in 2010/11.

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[99] The Extension of EI Regular Benefits temporary measure extended the duration of regular benefits by another 5 weeks, for all claims active or starting between March 1, 2009 and September 11, 2010. For long-tenured workers, the Extension of EI Benefits for Long-Tenured Workers temporary measure provided up to 20 additional weeks of benefits, for those who made claims between January 4, 2009 and September 11, 2010. The Extended Employment Insurance and Training Incentive (EEITI) extended regular benefits to a maximum of 104 weeks to qualifying participants. Please see Annex 1 for more information.

[100] The proportions of EI regular claims from major urban centres and rural regions do not add up to 100%, as some regions classified as urban are not considered major urban centres.

Major Urban Centres and Rural Regions – Economic Action Plan

As of March 31, 2011, there were 516,150 claimants from major urban centres[101] and 474,040 claimants from rural regions who had benefited from the Extension of EI Regular Benefits temporary measure. Claimants from major urban centres comprised 41.4% of the total number of people who benefited from this measure, while those from rural regions comprised 38.0%.[102]

As of March 31, 2011, there were 86,790 long-tenured worker claimants from major urban centres and 62,650 claimants from rural regions who had benefited from the Extension of EI Benefits for Long-Tenured Workers temporary measure. Claimants from major urban centres comprised 45.7% of the total number of people who benefited from this measure, while those from rural regions comprised 33.0%.

2.2.2 Adequacy of the Program

As described above, an important difference between claimants from major urban centres and those from rural regions was in the average insured hours they had when they applied for EI regular benefits. Despite this difference in average insured hours, the usage of regular benefits was somewhat similar for claimants in major urban centres and rural regions. In 2010/11, the average weekly benefit rate for regular claimants in major urban centres increased to $370 (+$2) and to $373 in rural regions (+$5).

Claimants in major urban centres had an average entitlement to regular benefits of 35.3 weeks in 2010/11, somewhat less than the average entitlement of 37.5 weeks for those in rural regions. However, claimants in major urban centres used more weeks of regular benefits than did those in rural regions. For claims established in 2009/10, regular benefit claimants in major urban centres received an average of 25.1 weeks of benefits compared with 23.7 weeks for those in rural regions.[103]

TABLE 10

Key Statistics for Regular Benefits in Major Urban Centres, 2010/11

	Average Unemployment Rate[104]	Share of Total Employment[105]	Share of Total Regular Claims[106]	Average Insured Hours	Average Entitlement Weeks	Average Weeks Paid[107]	Average Weekly Benefit
Canada	8.4%	100%	100%	1,338	36.0	23.8	$371
Major Urban Centres	8.1%	46.5%	31.7%	1,417	35.3	25.1	$370
Rural Regions	9.8%	31.1%	49.0%	1,264	37.5	23.7	$373
Montréal	8.7%	11.3%	10.8%	1,362	34.5	23.4	$357
Ottawa	6.4%	3.0%	1.3%	1,444	32.0	22.5	$372
Toronto	9.0%	17.2%	10.4%	1,435	37.6	27.7	$370
Calgary	6.8%	4.1%	2.1%	1,487	33.8	24.6	$406
Edmonton	6.8%	3.7%	2.4%	1,504	34.6	22.8	$414
Vancouver	7.6%	7.3%	4.8%	1,420	34.1	25.1	$362

101 The major urban centres considered in this analysis include Vancouver, Calgary, Edmonton, Toronto, Ottawa and Montreal.

102 The shares of total claims that benefited from the temporary measure in major urban centres and rural regions do not add up to 100%, as some regions classified as urban are not considered major urban centres.

103 Data on claim duration relate to claims established in 2009/10 to ensure all claims were completed. Note that many of these claims were completed in 2010/11.

104 The local unemployment rates presented are those of EI economic regions. These regional rates come from the LFS, with an adjustment made to include unemployment rates for status Indians living on reserve, as per section 54(x) of the *Employment Insurance Act*.

105 The shares of total employment in major urban centres and rural regions do not add up to 100%, as some regions classified as urban are not considered major urban centres.

106 The shares of total regular claims in major urban centres and rural regions do not add up to 100%, as some regions classified as urban are not considered major urban centres.

107 Data on claim duration relate to claims established in 2009/10 to ensure all claims were completed. Note that many of these claims were completed in 2010/11.

3. EI and Industries

In the context of globalization and structural changes occurring in the Canadian economy, EI usage can vary substantially across industries. This subsection provides an overview of EI usage by sector and industry. In particular, industries that account for a significant share of EI regular claims, such as manufacturing, construction and the educational services, are examined in detail.

3.1 Access to the Program, by Sector and Industry

In 2010/11, the largest share of regular claims came from the construction (19.2%), manufacturing (12.4%) and educational services (9.0%) industries. Together, they accounted for about 40% of all regular claims in 2010/11. During the past decade, these three industries have consistently represented over 40% of all regular claims established in a given year. Annex 3.3 presents detailed data tables on regular benefit claims by industry.

3.1.1 Goods-Producing Sector

As discussed in Chapter 3, the goods-producing sector as a whole saw a decrease of 16.1% (-101,500) in the number of new EI regular claims in 2010/11, from 630,930 claims in 2009/10 to 529,430 claims in 2010/11. The number of regular claims established by the goods-producing sector also decreased by 13.9% in 2009/10, which followed an increase of 35.3% in 2008/09.

The increase in 2008/09 was due to the impact of the late-2000s recession and the subsequent decreases in 2009/10 and 2010/11 were a direct result of the recovery. The decline in 2010/11 mostly reflected the sharp drop in new regular claims from the manufacturing (-27.3%; -64,940), mining and oil and gas extraction (-32.7%; -9,920), and construction (-6.8%; -19,660) industries.

Regular claims from the goods-producing sector accounted for 37.9% of all regular claims in 2010/11, decreasing from 39.0% in 2009/10 and 44.6% in 2008/09. However, this share remained significantly higher than the goods-producing sector's share of employment in 2010/11 (22.0%).

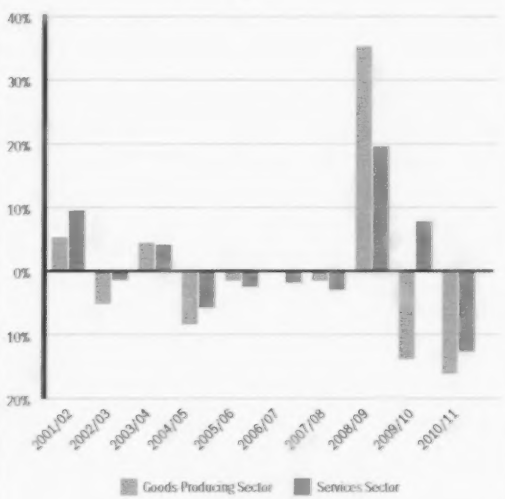
3.1.2 Services Sector

The services sector saw a decrease of 12.7% (-120,230) in EI regular claims in 2010/11, from 944,030 claims in 2009/10 to 823,800 claims in 2010/11. This decline came after the sector experienced two years of consecutive increases in the number of regular claims, with increases of 19.5% in 2008/09 and 7.7% in 2009/10. The decrease in 2010/11 reflected the sharp declines in new regular claims established in the information and cultural (-23.0%), wholesale trade (-20.9%) and finance and insurance (-19.9%) industries.

Regular claims from the services sector accounted for 59.0% of all regular claims in 2010/11.[108] While the proportion of regular claims from claimants in the services sector has increased for two consecutive years, this proportion remains significantly lower than the services sector's share of employment (78.0%) in 2010/11.

CHART 13

Regular Claims Growth, by Sector



[108] EI regular claims from the goods-producing sector and the services sector do not equal 100%, as some claims are categorized as "unclassified."

Canadian Industries and the Economic Action Plan[109]

As of March 31, 2011, there were 478,880 claimants in the goods-producing sector and 734,120 claimants in the services sector who benefited from the Extension of EI Regular Benefits temporary measure. Those from the goods-producing sector comprised 38.4% of the total, while those from the services sector comprised 58.9%.[110]

As of March 31, 2011, there were 74,550 claimants in the goods-producing sector and 111,920 claimants in the services sector who benefited from the Extension of EI Benefits for Long-Tenured Workers temporary measure. Those from the goods-producing sector comprised 39.3% of the total, while those from the services sector comprised 59.0%.[111]

3.2 Adequacy of the Program, by Sector and Industry

A HRSDC study[112] explores the differences between claimants across industries in terms of eligibility, proportion of entitlement used and weeks of unemployment covered by EI. The study shows that claims in some industries differ markedly from the rest in terms of EI outcomes. For instance, during the period the survey took place,[113] claims from the agriculture, forestry and hunting industry were characterized by high eligibility, high benefit exhaustion and a large number of weeks of benefits being used. Claims from the educational services industry were characterized by high eligibility but low exhaustion rates, fewer EI entitlement weeks and fewer benefit weeks being used. The high eligibility of these two industries is consistent with the seasonal component of the educational services and agriculture, forestry and hunting industries. Lastly, claims in the retail trade industry were characterized by low eligibility, high benefit exhaustion and fewer EI entitlement weeks. These outcomes can be attributed in part to the temporary and part-time nature of retail sector jobs.

3.3 Manufacturing

3.3.1 Access to the Program

EI regular claims from the manufacturing industry decreased significantly (-27.3%; -64,940) to 172,660 claims in 2010/11, which followed an even sharper decrease (-30.2%; -103,010) in 2009/10. These two sharp decreases preceded a 47.4% (+109,540) increase in regular claims in 2008/09, one of the sharpest increases registered among all industries in that year, which was mainly attributable to the increase in first-time claimants from the manufacturing industry during the late-2000s recession.

Historically, claimants from the manufacturing industry have represented the largest share of regular claims among all industries. However, since 2009/10, the manufacturing industry's proportion has been lower than that of the construction industry. For example, manufacturing accounted for 12.4% of EI regular claims in 2010/11 but construction accounted for 19.2%. This change is partly due to the industry's continuously falling share of national employment. Manufacturing's share of employment has fallen significantly every year since 2002/03 when it comprised 15.0% of national employment; In 2010/11, it accounted for 10.3% of national employment. Furthermore, manufacturing, along with the trade industry, has had one of the two highest shares of employment among all industries every year in employment data, dating back to 1976/77. However, in 2009/10, the health care and social assistance industry (11.7%) had a higher share of national employment than manufacturing (10.5%). This reversal in historical trends continued in 2010/11, as manufacturing once again had a lower share of national employment (10.3%) than the health care and social assistance industry (12.0%) and a significantly lower share of national employment than in previous years.

[109] The number of claimants who received additional EI benefits as a result of the Economic Action Plan measures is determined according to when the additional benefits were paid rather than when the claim was established.

[110] The shares of claims that benefited from the temporary measure from the goods-producing sector and the services sector do not equal 100%, as some of these relate to industries categorized as "unclassified."

[111] The shares of claims that benefited from the temporary measure from the goods-producing sector and the services sector do not equal 100%, as some of these claims relate to industries categorized as "unclassified."

[112] HRSDC, Use of *Employment Insurance by Industrial Sector* (Ottawa: HRSDC, Evaluation Directorate, 2008).

[113] The Canadian Out of Employment Panel survey used in the evaluation covered the second and third quarters of 2001, 2002, 2005 and 2006.

3.3.2 Adequacy of the Program

In terms of adequacy of EI regular benefits, claimants in the manufacturing industry receive weekly benefits close to the average for all regular claimants. In 2010/11, claimants in manufacturing received an average weekly benefit rate of $377, compared with $425 received by claimants in the construction industry and $371 by all claimants.

Claimants in the manufacturing industry received 25.0 weeks of regular benefits, on average, for claims established in 2009/10.[114] This was slightly longer than the national average (23.8 weeks) but significantly shorter than claimants in the finance and insurance industry (31.4 weeks). Claimants from the manufacturing industry used 55.1% of their regular entitlement weeks, slightly lower than the national average of 58.1%.

3.4 Construction

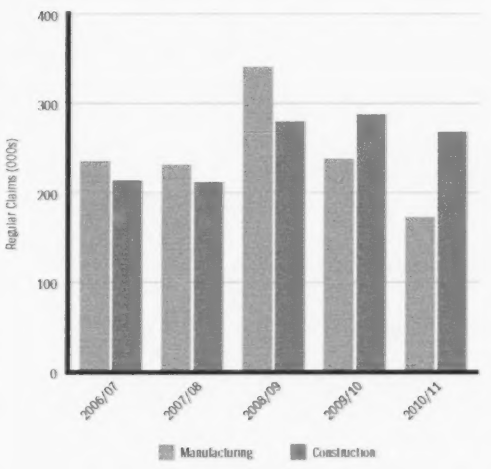
3.4.1 Access to the Program

New EI regular claims established in the construction industry decreased from 287,500 in 2009/10 to 267,840 in 2010/11 (-6.8%).There was a small increase (+3.0%; +8,250) in regular claims in 2009/10, and a more significant increase (+32.0%; +67,680) in 2008/09, due to the impact of the late-2000s recession.

The construction industry has accounted for the second-largest share of regular claims during the past decade. However, the construction industry accounted for the largest share (19.2%) of regular claims in 2010/11, increasing from 17.8% in the previous year. This proportion is significantly larger than the construction industry's share of national employment (7.2%) in 2010/11, showing that this industry is significantly overrepresented among regular claimants. This trend has remained consistent over time.

CHART 14

Regular Claims, for Manufacturing and Construction



3.4.2 Adequacy of the Program

In terms of adequacy of regular benefits, claimants in the construction industry receive one of the highest average weekly benefits among regular claimants, due to their above-average wages. In 2010/11, claimants in this industry received an average weekly benefit of $425, behind only claimants from the mining and oil and gas extraction ($448) and utilities ($445) industries. The average weekly benefit for all claimants was $371.

Claimants in the construction industry received 20.8 weeks of regular benefits, on average, based on claims established in 2009/10.[115] This was lower than the national average (23.8 weeks), and was the second lowest among all industries, with only the educational services industry (14.6 weeks) having a lower average duration. Claimants from the construction industry used 54.0% of their regular entitlement weeks, lower than the national average of 58.1%.

[114] Data and analysis on duration relate to claims established in 2009/10 to ensure all claims were completed. Note than many of these claims were completed in 2010/11.

[115] Data and analysis on duration relate to claims established in 2009/10 to ensure all claims were completed. Note that many of these claims were completed in 2010/11.

3.5 Educational Services

3.5.1 Access to the Program

The educational services industry witnessed a 15.5% (-23,020) decrease in the number of EI regular claims in 2010/11, which fell from 148,990 claims in 2009/10 to 125,970 claims in 2010/11. The industry saw a 10.2% increase in regular claims in 2009/10, one of the sharper increases among all industries in that fiscal year, and a 5.1% increase in regular claims in 2008/09, which was relatively small compared with the increases witnessed in the manufacturing (+47.4%) and construction (+32.0%) industries during the same period.

In 2010/11, this industry accounted for the third-largest proportion (9.0%) of regular claims, a pattern observed throughout the past decade. The educational services industry accounted for 7.1% of national employment in 2010/11, the sixth-highest proportion among the 16 industries, suggesting that the educational services industry was somewhat overrepresented among regular claimants.

3.5.2 Adequacy of the Program

Claimants in the educational services industry received 14.6 weeks of regular benefits, on average, for claims that were established in 2009/10.[116] This was significantly lower than the national average (23.8 weeks), and the lowest among all industries. By comparison, claimants in the construction industry, which had the second-shortest average duration, received an average of 20.8 weeks of regular benefits.

An analysis of the percentage of entitlement weeks used helps to explain the significantly lower average duration among claimants in the educational services industry. Among claimants who established their regular claims in 2009/10, those in the educational services industry used 37.9% of their entitlement, which was the lowest among all industries, and significantly lower than the proportion in the utilities industry, which had the second-lowest figure (51.0%).[117] In contrast, claimants in the manufacturing and construction industries used a higher average proportion (55.1% and 54.0%, respectively).

The lower usage of regular entitlement among claimants in the educational services industry can be partly explained by their unique work pattern, as many individuals in this industry work full-time for 10 months of the year and then establish regular claims with significant benefit entitlement. For example, in 2010/11, 69.7% of claims in the educational services industry were established in June or July. However, only 24.8% of claims in the services sector were established during the same time period.

As well, the relatively high proportion (38.3%) of seasonal regular claimants in the educational services industry, which was the third highest proportion among all industries in 2010/11, also helps explain the lower usage of regular entitlement. Seasonal EI regular claimants use, on average, a smaller proportion of their entitlement (55.4% for claims established in 2009/10), than all regular claimants do (58.1% for claims established in 2009/10). However, usage of regular entitlement is particularly low for seasonal claimants in the educational services industry.

For claims established in 2009/10, seasonal regular claimants in this industry used only 32.0% of their entitlement weeks. The low percentage of regular weeks used by seasonal claimants in the industry helps explain the low number of average weeks used from claimants in the educational services industry.

4. EI and Firms

4.1 Profile

Administrative data show that approximately 997,000 firms[118] were operating in Canada in 2009,[119] a 6.0% decrease from 1,061,000 firms in 2008. Throughout the late-2000s recession, the number and proportion of firms with employees receiving EI benefits increased. For instance, in 2009, a total of 336,700 firms, or 33.8% of all firms, had at least one employee claiming EI benefits, compared with 326,600 firms, or 30.8% of all firms, in 2008.

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[116] Data and analysis on duration relate to claims established in 2009/10 to ensure all claims were completed. Note than many of these claims were completed in 2010/11.

[117] Data and analysis on percentage of entitlement weeks used relate to all completed claims established in 2009/10. Many of these claims were completed in 2010/11.

[118] In order to meet the definition of a "firm," an organization should meet two criteria. First, it must have a Payroll Deduction Account Number (nine-digit level) assigned by the Canada Revenue Agency. Second, it must have at least one employee with employment income, as indicated on a T4 form. This definition includes public and private sector enterprises, as well as small businesses, fishers and a portion of the self-employed. Note that this definition includes some firms and employees who neither contributed EI premiums nor qualified for EI benefits.

[119] 2009 is the latest year for which tax data are available.

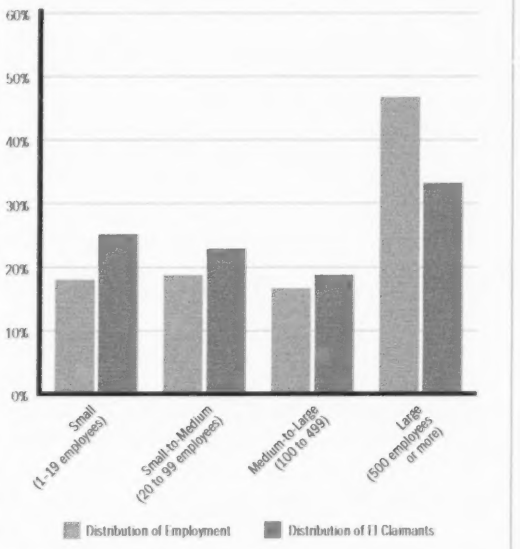
Firms with at least one employee receiving EI accounted for 87.7% and 86.2% of total employment in 2009 and 2008, respectively. However, only 14.8% and 12.7% of the workers employed by these firms received EI benefits in 2009 and 2008, respectively. These firms and their employees accounted for 92.0% and 90.7% of all EI premium payments in 2009 and 2008, respectively; firms with no employees receiving EI paid the remainder of EI premiums.

When only regular benefits are considered, among all firms operating in Canada in 2009, 292,000 firms, or 29.3%, had at least one employee receiving EI regular benefits. Even though these firms accounted for 84.1% of all employees, only 11.7% of the workers employed by these firms received EI regular benefits.

Alternatively, 149,000 firms, or 15.0% of all firms operating in Canada in 2009, had at least one employee benefiting from EI special benefits. These firms accounted for 77.2% of total employment, but only 4% of the employees working for these firms collected EI special benefits.

CHART 15

Distribution of Employment and EI Claims, by Firm Size, 2009



4.2 EI Benefits, by Firm Size

Small-sized firms represented a vast majority (90.1%) of all firms in 2009. Small-to-medium-sized firms and medium-to-large-sized firms represented almost 10% of all firms (8.1% and 1.5% respectively). Alternatively, large-sized firms represented only 0.3% of all firms.

While EI benefits are available to employees working in firms of all sizes,[120] the proportions of firms and employees using EI seem to vary according to the size of the firm. As illustrated in Chart 15, employees working in small and medium-sized firms are overrepresented among EI claimants, while employees working in large firms are underrepresented.

For instance, while small-sized firms represented 18.0% of employment in 2009, they accounted for 25.1% of all EI claimants. Furthermore, small-to-medium-sized firms represented 18.7% of employment, while accounting for 22.9% of all EI claimants in 2009. Medium-to-large-sized firms accounted for 16.6% of employment and 18.7% of all EI claimants that same year. In contrast, large-sized firms accounted for 46.7% of employment but only 33.2% of all EI claimants.

These findings suggest that smaller firms may be more likely than larger firms to have their employees using EI. Further analysis of EI utilization from the perspective of firms will be included in future *Monitoring and Assessment Reports*.

5. EI and Labour Mobility

A significant movement of labour takes place, mainly from regions of high unemployment and low wages to regions of lower unemployment and higher wages. However, regional variations in unemployment rates that persisted for decades and continued during the late-2000s recession, which suggests that geographical rigidity exists in the Canadian labour market, at least to some extent. Despite the fact that jobs may be available in other regions of the country, some workers are not able or willing to move. This situation contributes to regional pockets of higher unemployment.

[120] Small-sized firms are defined as those that employ 1 to 19 employees. Small- to medium-sized firms employ between 20 and 99 employees. Medium- to large-sized firms employ between 100 and 499 employees. Large-sized firms employ 500 employees or more. The categories for the size of firms reflect those found in *Business Dynamics in Canada*, a Statistics Canada publication.

5.1 Interprovincial Labour Mobility

Demographic estimates[121] from Statistics Canada on interprovincial labour mobility in 2010/11 showed that Ontario and Quebec—Canada's two largest provinces—had a negative net migration flow of population (-1,871 and -2,933, respectively) within the country.

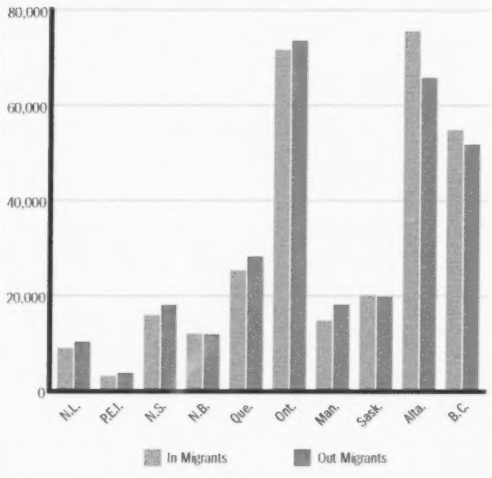
Alberta saw the largest positive net migration flow (+9,743) of population in 2010/11, as the province attracted 75,581 in-migrants, more than any other province. In 2009/10, Alberta saw a negative net migration flow (-2,343) as the number of in-migrants had decreased by more than 26% from the previous year to 59,375 in-migrants. The negative net migration flow in 2009/10 was unusual considering the trend over the previous decade, during which Alberta had a larger positive net migration flow than any other province in every year except 2007/08.

As shown in Chart 16, British Columbia (+2,967) was the only other province to experience a large positive net migration flow in 2010/11. The other provinces showed negative net migration flows in 2010/11, with Manitoba (-3,312), Quebec (-2,933) and Nova Scotia (-2,083) witnessing the largest numbers of interprovincial out-migrants compared with interprovincial in-migrants.

There are two current trends in labour mobility in Canada: a movement from east to west, and movement among the western provinces. According to analysis of interprovincial migration data from Statistics Canada, the majority of workers that moved from the Atlantic provinces in 2010/11 relocated to Ontario or Alberta. The large majority of those moving from Quebec relocated to Ontario, while those leaving Ontario moved mainly to Alberta, as well as to British Columbia and Quebec.

The data for 2010/11 also show the movement among the provinces in Western Canada. Workers migrating from Manitoba tended to favour Ontario or Alberta, while workers migrating from Saskatchewan moved primarily to Alberta. Most workers who moved from Alberta relocated to British Columbia, but a significant number also relocated to Ontario and Saskatchewan, while most of those who left British Columbia moved to Alberta.

CHART 16
Interprovincial Labour Mobility, 2010/11



Sources:
Statistics Canada, Estimates of Total Population, Canada, Provinces and Territories.

5.2 Impact of EI on Labour Mobility

A number of studies in the past decade have looked at the determinants of labour mobility and whether EI plays a role in the decision to migrate for employment. Results of these studies indicate that factors such as personal and labour market characteristics, as well as moving costs, play a key role in mobility decisions,[122] while EI generosity does not seem to affect mobility decisions.[123]

Another recent study[124] has suggested that EI does not discourage workers from being mobile. EI recipients were found to be more likely than non-EI recipients to commute 30 kilometres or more to go to work and more likely to work outside their census subdivision of residence. Also, following a job loss, EI recipients were more likely than non-EI recipients to move more than 100 kilometres away.

[121] Demographic estimates from Statistics Canada are from the Estimates of Total Population, Canada, Provinces, and Territories.

[122] André Bernard, Ross Finnie and Benoît St-Jean, *Interprovincial Mobility and Earnings* (Ottawa: Statistics Canada, 2008).

[123] HRSDC, *The Impact of EI Regional Boundary Revisions on Mobility in New Brunswick: Evidence from the LAD* (Ottawa: HRSDC, Evaluation Directorate, 2010).

[124] HRSDC, *Commuting and Mobility Patterns of Employment Insurance (EI) Recipients and Non-Recipients* (Ottawa: HRSDC, Evaluation Directorate, 2011).

Furthermore, a study[125] estimated that eliminating regional EI extended benefits and regional EI differences in the VER would increase the volume of migration by less than 1%. In general, the available evidence suggests that EI is generally not a barrier to mobility.

5.3 Agreement on Internal Trade

On January 16, 2009, the Government of Canada, provincial governments and territorial leaders agreed to a key amendment to the Agreement on Internal Trade (AIT)[126] in order to foster greater labour mobility within Canada. The revised labour mobility chapter of the AIT specifies that any worker certified in an occupation by a regulatory authority of one province or territory should be recognized as qualified for that same occupation by all other provinces and territories. The agreement on full labour mobility came into effect on April 1, 2009. Ongoing monitoring will examine the impact of the agreement on labour mobility and the extent to which it may help reduce regional labour market performance disparities.

6. Income Redistribution

6.1 Overview

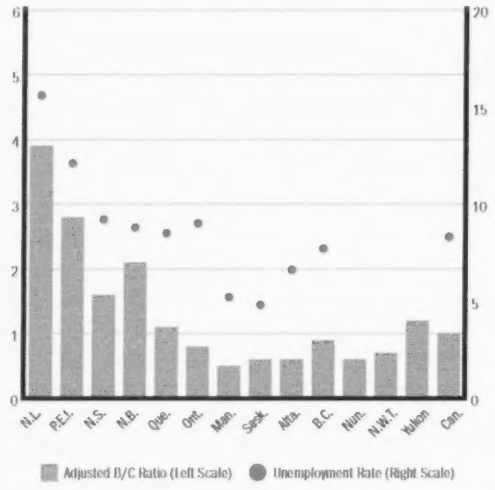
EI is designed to redistribute some income from high earners to low earners, and from provinces and regions of low unemployment to provinces and regions of high unemployment.

To measure the extent of redistribution at a provincial/territorial level, the total regular benefit payments each jurisdiction received are divided by the total EI premiums it collected.[127] These ratios are then adjusted so that the ratio for Canada equals 1.0.[128] The resulting ratio for each jurisdiction indicates whether it receives more in benefits than it contributes to the program, relative to Canada as a whole.

A province or a territory with an adjusted ratio higher than 1.0 is a net beneficiary of the program. Accordingly, a jurisdiction with an adjusted ratio lower than 1.0 is a net contributor to the program within the Canadian context. Annex 3.17 provides a detailed account of premiums paid and benefit payments received across different provinces and territories, genders, ages, and industries.[129]

CHART 17

Adjusted Regular Benefits-to-Contributions (B/C) Ratio, 2009 (Canada = 1.0)



Sources:
Canada Revenue Agency, 2009 T4s with employment income; EI administrative data; Statistics Canada, Labour Force Survey, which does include the territories.

[125] Kathleen M. Day and Stanley L. Winer, *Policy-Induced Internal Migration: An Empirical Investigation of the Canada Case* (Munich, Germany: CESifo Group, 2005).

[126] For more details on the changes to the AIT, see **http://www.pm.gc.ca/eng/media.asp?id=2385.**

[127] Province and territory is determined by the location of the employer for premiums and of the claimant for benefits.

[128] In the absence of this adjustment, the ratio for Canada would be lower than 1.0, mostly because the numerator takes into account only regular benefits and, therefore, does not include other EI payments. If all EI payments were considered, the ratio for Canada would be higher than 1.0, in the absence of this adjustment.

[129] The calculation of Quebec's adjusted regular benefits-to-contributions ratio takes into consideration that employers and employees in the province do not pay EI premiums for maternity and parental benefits, due to the presence of the Quebec Parental Insurance Plan (QPIP). To account for this, the EI contributions from Quebec, which is the denominator of the ratio, has been modified upward to estimate how much employers and employees in Quebec would pay in EI premiums if they had to contribute for EI maternity and parental benefits. The adjusted regular benefits-to-contribution ratios reported for Quebec in the 2008 to 2010 *EI Monitoring and Assessment* (M&A) *Report(s)* did not take into account this modification. With this modification, the ratio for Quebec changes from 1.7 to 1.3 in 2008 (2010 M&A Report), 1.9 to 1.4 in 2007 (2009 M&A Report), and 1.8 to 1.4 in 2006 (2008 M&A Report).

6.2 Income Redistribution, by Province and Territory

Based on the latest tax data available, the Atlantic provinces and Quebec continued to be net beneficiaries of regular benefits from the EI program in 2009, as they were in previous years, with adjusted ratios greater than 1.0, while Ontario and the western provinces remained net contributors, with adjusted ratios below 1.0 (see Chart 17).[130]

However, from 2008 to 2009, Ontario, Alberta and British Columbia all saw increases in their adjusted regular benefits-to-contributions ratio. These three provinces were the only ones to record an increase in their adjusted benefits-to-contributions ratio in 2009, and they were also three of the hardest-hit provinces during the late-2000s recession.

6.3 Income Redistribution, by Industry

In 2009, industries with a large share of seasonal workers—such as agriculture, forestry, fishing and hunting (4.5) and construction (2.6)—continued to be strong net beneficiaries of the program, as they were in 2008. Manufacturing (1.8), which is not as seasonal as the industries previously mentioned, also remained a strong net beneficiary. The mining and oil and gas extraction industry (1.7) became a strong net beneficiary in 2009, unlike in the previous year.

The mining and oil and gas extraction industry witnessed the largest increase (+0.7) among industries in its adjusted benefits-to-contributions ratio from 2008 to 2009, while manufacturing had the next largest increase (+0.2). On the other hand, industries such as agriculture, forestry, fishing and hunting (-1.6) and arts, entertainment and recreation (-0.4) experienced a large decrease in their benefits-to-contributions ratio from 2008 to 2009.

The mining and oil and gas extraction industry experienced the sharpest increase (+66.9%) in EI regular claims among all industries in 2008/09, when the impact of the recession was felt most strongly. This helps explain how the industry became a strong net beneficiary in 2009. The manufacturing industry also experienced one of the sharpest increases (+47.4%) in EI regular claims among all industries in 2008/09.

6.4 Income Redistribution for EI Regular Benefits, by Gender and Age

An HRSDC study[131] states that older workers (aged 55 and older) are generally net beneficiaries of EI regular benefits. Even though workers aged 65 and older contribute more to the program than they receive in benefits, their premiums account for only about 10% of total contributions for older workers. Individuals between the ages of 55 and 64, who represent the vast majority of older workers, more than offset this by being net beneficiaries.

As in 2008, older workers (1.1) and men (1.3) were net beneficiaries in 2009, according to the adjusted benefits-to-contributions ratios for EI regular benefits. While older workers witnessed a decrease in their ratio, there was an increase in the ratio for men in 2009. The late-2000s recession affected men more strongly than women, as men witnessed their 33.9% increase in EI regular claims in 2008/09, compared with 16.4% for women.

In 2009, the adjusted ratio for youth increased from 0.9 to 1.1, as youth became net beneficiaries of EI regular benefits. The recession affected youth more strongly than any other age group. They witnessed a 34.6% increase in EI regular claims in 2008/09, during the heart of the recession, compared with 26.9% for all EI claimants.

6.5 Income Redistribution for EI Total Income Benefits, by Gender and Age

EI premiums are collected to pay for all types of EI benefits, not just regular benefits. When all types of benefits are included, the redistributive impacts of EI change. When the adjusted benefits-to-contributions ratios are calculated for EI total income benefits, the analysis generally shows that women receive more in EI benefits relative to what they paid in EI premiums, and that the reverse is true for men. This was true for a decade, until 2008. In that year, the ratio was 1.1 for women and 0.9 for men.

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[130] The most recent tax data available are for the 2009 taxation year.

[131] HRSDC, *EI Payments and the GIS System* (Ottawa: HRSDC, Evaluation Directorate, 2008).

However, in 2009, with the strong impact of the late-2000s recession, men had a higher adjusted benefits-to-contributions ratio (1.0) than did women (0.9). Men witnessed a 55.7% increase in total income benefits in 2009, compared with a 22.5% increase for women.

Individuals aged 25 to 44 received relatively more in total income benefits than they contributed to EI when compared with the other age groups, as they had an adjusted ratio of 1.1 in 2009. The 25 to 44 age group generally accounts for about 60% of special benefits claims, as they receive the vast majority of maternity and parental benefits. However, with the impact of the late-2000s recession on youth, individuals under 25 years of age had the highest adjusted ratio (1.2) for EI total income benefits in 2009.

7. Work-Sharing Program

7.1 Overview

As described in Chapter 1, the Work-Sharing program is designed to help employers and workers avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The goal is for all participating employees to return to normal working hours by the end of the term of the Work-Sharing agreement. The program helps employers retain skilled employees and avoid the costs of recruiting and training new employees when business returns to normal levels. It also helps employees maintain their skills and jobs while supplementing their wages with Work-Sharing benefits for the days they are not working.

As discussed in the following subsections, the number of new Work-Sharing agreements, the volume and duration of Work-Sharing claims, and the amount of Work-Sharing benefits paid all decreased significantly in 2010/11, as the Canadian labour market continued to recover during the fiscal year. Previously, these figures had increased significantly in 2009/10, attributable to the late-2000s recession and temporary changes to the Work-Sharing program as part of the Economic Action Plan.

7.2 Temporary Legislative Changes

As described in Chapter 1 and Annex 1, Work-Sharing agreements are signed for a minimum of 6 weeks to a maximum of 26 weeks, with a possible 12-week extension to a total of 38 weeks. Recognizing the level of uncertainty employers and workers faced during the late-2000s recession, the federal government—through Canada's Economic Action Plan—introduced temporary changes to the Work-Sharing program to mitigate the effects of the recession on workers and employers.

Budget 2009 introduced temporary changes to the program which included extending the duration of agreements by 14 weeks to a maximum of 52 weeks, increasing access to the program through greater flexibility in the qualifying criteria and streamlining processes for employers. The Budget 2009 temporary changes were in effect from February 1, 2009, to April 3, 2010.

In recognition of continuing economic uncertainty, Budget 2010 allowed employers with existing or recently terminated agreements to extend their Work-Sharing agreements up to an additional 26 weeks, to a maximum duration of 78 weeks. The greater flexibility in qualifying criteria also remained in place for new Work-Sharing agreements. The Budget 2010 temporary changes were in effect until April 2, 2011.[132]

To assist employers who continued to face challenges, Budget 2011 announced an additional extension of up to 16 weeks for active or recently terminated Work-Sharing agreements. This temporary measure ended on October 29, 2011. In addition, Budget 2011 announced new policy adjustments to make the Work-Sharing program more flexible and efficient for employers. These new provisions became effective on April 3, 2011, and include a simplified recovery plan, more flexible utilization rules and technical amendments to reduce administrative burden.

[132] Note that all extensions granted to agreements under these temporary measures must end no later than April 2, 2011.

7.3 Work-Sharing Agreements

7.3.1 Work-Sharing Agreements, by Fiscal Year

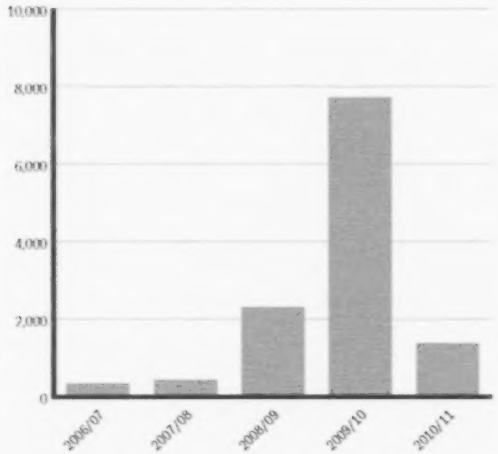
In 2010/11, a total of 1,379 Work-Sharing agreements covering 29,522 employees[133] commenced during the fiscal year, a significant decrease (-82.1%) from the 7,717 agreements covering 200,919 employees in 2009/10.

Up until the recent recession, which began in late 2008, the number of new Work-Sharing agreements had remained relatively low (see Chart 18). However, there were significant increases in the number of agreements from 2007/08 to 2008/09 (+432.3%) and from 2008/09 to 2009/10 (+234.8%) before finally decreasing from 2009/10 to 2010/11.

7.3.2 Work-Sharing Agreements, by Province and Territory

There were 529 Work-Sharing agreements in Ontario in 2010/11, covering 9,976 employees. Ontario comprised 38.4% of all Work-Sharing agreements and 33.8% of all Canadian employees covered by Work-Sharing agreements. This share was lower than Ontario's share of all Canadian employees in 2010/11 (38.9%). Ontario's share of agreements has dropped from 46.9% in 2009/10 and from 62.4% in 2006/07.

CHART 18
Work-Sharing Agreements



Simultaneously, there has been a recent increase in the portion of Work-Sharing agreements in Quebec, where there were 354 Work-Sharing agreements in 2010/11, covering 11,257 employees. Quebec accounted for 25.7% of all new Work-Sharing agreements, but also accounted for 38.1% of all employees covered by Work-Sharing agreements. Quebec witnessed an increase in the portion of Work-Sharing agreements, from 19.8% in 2009/10. Quebec accounted for 23.4% of total employees in Canada in 2010/11, which is similar to its portion of Work-Sharing agreements nationally, but significantly lower than its share of employees under Work-Sharing agreements.

Alberta witnessed a significant increase in Work-Sharing agreements in 2009/10, when the national number of agreements reached a recent high of 7,717 due to the late-2000s recession. There were 867 Work-Sharing agreements in Alberta in 2009/10, which increased the province's share of all agreements from 1.7% in 2008/09 to 11.2%. However, in 2010/11, the number and proportion of Work-Sharing agreements decreased to 100 and 7.3%, respectively. These agreements covered 1,162 employees, which accounted for 3.9% of the Canadian total. As Alberta accounted for about 11% of all employees in Canada over the past decade, this province has been generally under-represented in the number of new Work-Sharing agreements throughout that period, except in 2009/10.

7.3.3 Work-Sharing Agreements, by Industry

Of all Work-Sharing agreements established in 2010/11, the manufacturing industry accounted for 40.6%. In addition, manufacturing accounted for 56.9% of all employees covered under Work-Sharing agreements. This industry is significantly over-represented among Work-Sharing agreements, as it only comprised 11.5% of total employees in Canada in 2010/11. However, manufacturing's proportion of Work-Sharing agreements decreased in 2008/09 (45.1%) and in 2009/10 (44.9%). The increase in the proportion of agreements over these two years reflected the increased reliance on the Work-Sharing program by the manufacturing industry during the late-2000s recession. In 2007/08, prior to the recession, this industry comprised 38.8% of all agreements.

[133] The number of employees included in a Work-Sharing agreement does not represent the number of individuals who collected Work-Sharing benefits.

In 2010/11, the professional, scientific and technical services industry had the second-highest proportion of Work-Sharing agreements, with 9.1%, which covered 1,503 employees, or 5.1% of the national total. The industry also accounted for 5.7% of total employees in Canada.

7.3.4 Work-Sharing Agreements, by Size of Enterprise

Small and medium-sized enterprises continued to participate in the majority of Work-Sharing agreements.[134] In 2010/11, more than three quarters (77.8%) of established agreements involved small enterprises (fewer than 50 employees), a proportion that has increased every year since 2007/08 when it was 45.5%. A further 20.0% of agreements established in 2010/11 were from medium-sized enterprises (51 to 499 employees) and only 2.2% of agreements were established with large enterprises (500 or more employees).

7.3.5 Work-Sharing Agreements, by Early Termination

Of the 1,379 Work-Sharing agreements established in 2010/11, a total of 536 were terminated earlier than their scheduled end date, accounting for 38.9% of all agreements. Among the 536 agreements that ended earlier than anticipated, 85.3% concluded because the firm returned to a normal level of employment.[135]

In 2009/10, a total of 4,293 of the 7,717 agreements established during the year terminated earlier than their scheduled end date, accounting for 55.6% of all agreements, with the vast majority (84.6%) ending because the firm returned to a normal level of employment.

7.4 Access to and Adequacy of the Work-Sharing Program

Work-Sharing usage and expenditures are countercyclical: they increase during a contraction in the labour market and decline during an expansion.[136] As such, the number of new Work-Sharing claims and benefits paid increased significantly in recent years due to the late-2000s recession. For example, in 2009/10, there were 127,880 claims established and $294.7 million in benefits paid. However, these figures declined as the Canadian labour market showed moderate recovery from the recession. In 2010/11, 21,080 new Work-Sharing claims were established (-83.5%) and benefits paid decreased to $98.3 million (-66.6%). For a more detailed profile of Work-Sharing claimants and benefits paid, please refer to Chapter 3.

Duration of Work-Sharing Claims and the Economic Action Plan

The average duration of Work-Sharing claims increased significantly as a result of the recession and the changes to the Work-Sharing program introduced under the Economic Action Plan. Work-Sharing claims established in 2009/10[137] lasted 19.3 weeks, on average, compared with 21.5 weeks and 13.9 weeks for claims established in 2008/09 and 2007/08, respectively.

Administrative data show that 17,529 (13.7%) of Work-Sharing claims established in 2009/10 extended beyond 38 weeks and, therefore, benefited from the extensions to Work-Sharing agreements included under the Economic Action Plan.

8. Career Transition Assistance Initiative

8.1 Overview

Workers with significant and long-term work attachment were among the hardest hit by the late-2000s recession. The decrease in economic activity, and ongoing structural changes in various sectors, imply that some of these workers—especially those with specialized and non-transferable skills—face challenges in finding employment in the same field and industry as the recovery unfolds.

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[134] Small-sized enterprises are defined as those that employ 1 to 50 employees. Medium-sized enterprises employ between 51 and 499 employees. Large-sized enterprises employ 500 employees and more. The categories for the size of enterprises reflect those found in *Employment, Earnings and Hours*, a Statistics Canada publication, and are different from those used in Chapter 6, Section II.4.

[135] Data on business recovery are obtained only at the end of a Work-Sharing agreement, and there are no further follow-ups.

[136] HRSDC, *Usage of the Work-Sharing Program: 1990/91 to 2010/11* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[137] Claims established in 2009/10 are used in order to ensure that all claims analyzed have been completed. Note that most of these claims were completed in 2010/11.

As part of Canada's Economic Action Plan, the federal government introduced the Career Transition Assistance (CTA) initiative to support long-tenured workers[138] who engage in full-time, long-term training to update and acquire new skills. CTA encourages unemployed long-term workers to take training early in their benefit period and be ready for employment opportunities as Canada continues to emerge from the late-2000s recession.

This initiative came into force on May 31, 2009 and applies to long-tenured workers who established a claim between January 25, 2009 and May 29, 2010. The CTA initiative, which has been implemented in partnership with the provinces and territories, has two components: the Extended Employment Insurance and Training Initiative (EEITI), which increases the duration of EI Part I income support offered to long-tenured workers pursuing significant training up to a maximum of 104 weeks, and the Severance Investment for Training Initiative (SITI), which allows earlier access to EI Part I regular benefits for eligible claimants who invest in their own training using all or part of their severance package.[139]

The impact of the CTA initiative cannot be fully assessed yet, as participants may begin training at any time within or after their benefit period, which can last up to 104 weeks, and the duration of their training may be significant. While intakes for the CTA measures, including the EEITI, ended on May 29, 2010, claimants who met the eligibility criteria for CTA may begin training up until May 2011 and could continue to receive benefits as late as May 2012. Therefore, the following analysis is based on preliminary data and evaluations of the CTA initiative.

8.2 Career Transition Assistance Initiative Claimants

EI administrative data show that, as of March 31, 2011, a total of 10,275 individuals engaged in long-term training as part of the CTA initiative. Among these individuals, 2,401 claimants began to receive CTA benefits in 2010/11. These 10,275 individuals received a total of $95.2 million in extended EI regular benefits, with $80.6 million having been paid in 2010/11. Since some registered CTA participants were still receiving their original regular benefit entitlement as of March 31, 2011, they will receive additional benefits under the CTA initiative once they exhaust their initial regular benefit entitlement.

Ontario and Quebec accounted for about 69.1% of all CTA claimants (38.4% and 30.7%, respectively). Of the remaining 30.9% of CTA claimants, over half were from British Columbia (11.5%) and Manitoba (4.7%). Quebec, Manitoba and the Atlantic provinces were slightly overrepresented in the share of CTA claimants compared to their share of total employees in 2010/11, while Alberta and Saskatchewan were significantly underrepresented.

Among all CTA claimants up to March 31, 2011, those whose last employment was in the services sector accounted for 57.4% of claims, while 41.3% of claims came from those in the goods-producing sector.[140] While there were fewer CTA claimants from the goods-producing sector, their share of CTA claims was significantly higher than their share of total employees in Canada in 2010/11 (21.3%), as they made greater use of the initiative.

Over one third of all CTA claimants were from the manufacturing industry (36.2%). This industry was significantly overrepresented among CTA claimants relative to its share of employees in Canada in 2010/11 (11.5%). A significant number of CTA claimants were from the administrative and support, waste management and remediation services industry (8.5%); retail trade industry (7.8%); and wholesale trade industry (7.7%).

Among CTA claimants, 57.4% were male and 42.6% were female. The majority of CTA claimants were between 25 and 44 years of age (61.1%), while 30.3% were between 45 and 54 years of age and 8.4% were 55 years of age or older. Almost all CTA claimants were either first-time (63.1%) or occasional (34.0%) claimants, which reflected the eligibility criteria for the initiative (claimant had to be a long-tenured worker who had made limited use of the EI program in the last 10 years).

[138] A long-tenured worker is an individual who has contributed to the EI program (paying at least 30% of the annual maximum EI premiums) for at least 7 out of the last 10 calendar years and has received no more than 35 weeks of EI regular benefits in the last 5 years.

[139] More detailed information about the CTA initiative can be found in Chapter 1 and Annex 1.

[140] Percentages do not add up to 100% as some industries are undefined.

8.3 Access to and Adequacy of the Career Transition Assistance Initiative

An evaluation study of the CTA initiative[141] showed that the characteristics of CTA training reflected the requirements of the initiative: eligible training had to be full-time and last at least 20 weeks.[142] On average, CTA participants were in training for 29 hours per week, and had an anticipated course duration of 43 weeks. By comparison, the majority of long-tenured workers who trained outside the CTA enrolled in part-time courses that lasted 15 weeks on average. Almost all CTA training (93%) was leading toward a diploma. In 65% of the cases, it was a trade or community college diploma. The average tuition costs for CTA training were about $8,000.

This same study[143] also shows that, among CTA participants who had terminated their claim by February 2011, 91% benefited from an extension of EI regular benefits (36 weeks, on average), and 39% received additional weeks of EI regular benefits for job search (7 weeks, on average) after they finished their training. Moreover, it was estimated that, on average, the SITI could allow long-tenured workers to receive EI benefits 12 weeks earlier than they otherwise would have.

III. PROMOTING WORK ATTACHMENT

Several features of the EI program encourage work attachment; however, the analysis in this section focuses on four key provisions (Minimum Divisor, Small Weeks, Working While on Claim and New Entrant/Re-Entrant). EI provisions are legislated, permanent features of the EI program. Through these provisions, the program strives to find a balance between providing adequate income benefits and encouraging work attachment. It does so by providing incentives (e.g. increased access to or generosity of regular benefits) to encourage EI claimants to work more than the required number of insured hours before making a claim.

This section also discusses the EI pilot projects (Best 14 Weeks, Working While on Claim, New Entrant/Re-Entrant and Extended EI Training Incentive). EI pilot projects are temporary measures that essentially modify or, in some cases, replace the existing provisions. EI pilot projects are used to test and assess the labour market impacts of new approaches designed to assist unemployed individuals before considering a permanent change. They also provide valuable information on the effects of program changes in labour markets where EI plays a particularly important role.

1. Minimum Divisor, Smalls Weeks and Best 14 Weeks

1.1 Minimum Divisor Provision

As discussed in Chapter 1, the EI weekly benefit rate is determined by dividing earnings accumulated during the 26-week period before the establishment of the claim by the greater of the number of weeks the claimant worked in this period or the minimum divisor. The minimum divisor ranges from 14 to 22 weeks[144] and is two weeks more than the minimum number of weeks a claimant is required to work[145] in order to qualify for benefits. In this way, the minimum divisor encourages workers to accept all available employment and provides claimants with a strong incentive to work additional weeks before claiming EI benefits, in order to avoid a reduced weekly benefit.[146]

However, the Minimum Divisor provision did not apply in the 25 EI economic regions that were covered by the Best 14 Weeks pilot project in 2010/11. Under this pilot project, EI benefits are calculated based on a claimant's 14 weeks of highest earnings during the 52-week period preceding the start of the claim or since the beginning of the previous claim, which ever period is shorter. Therefore, for individuals who qualify for EI benefits in the Best 14 Weeks pilot regions, the divisor is 14, regardless of the regional rate of unemployment and the number of weeks worked. Since the calculation of weekly benefits for claimants

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141 HRSDC, *Descriptive Analysis of the Career Transition Assistance (CTA) Initiative* (Ottawa: HRSDC, Evaluation Directorate, 2011).

142 To participate in the SITI only, individuals had to take training that lasted at least 10 weeks, or if the training lasted less than 10 weeks, they had to take a course that cost at least $5,000 or 80% of their separation payment.

143 HRSDC, *Descriptive Analysis of the Career Transition Assistance (CTA) Initiative* (Ottawa: HRSDC, Evaluation Directorate, 2011).

144 The number of weeks depends on the rate of unemployment in the economic region in which the claimant resides.

145 The number of hours required under the VER provision is converted into weeks using a 35 hours/week factor.

146 More information on the minimum divisor can be found in Chapter 1.

TABLE 11

Non-Pilot Region Claimants Affected by the Divisor, 2010/11

	% of Regular Claimants Affected by the Divisor	% of Total Regular Claims
Gender		
Male	57.4%	59.3%
Female	42.6%	40.7%
Age		
Under 25	12.0%	11.7%
25–44	45.4%	47.5%
45–54	20.7%	23.8%
55 and over	21.9%	17.0%
EI History		
First-Time Claimants	22.4%	41.7%
Occasional Claimants	51.4%	35.0%
Frequent Claimants	26.2%	23.3%

in the Best 14 Weeks pilot regions is subject to different parameters, the minimum divisor only affects claimants in the non-pilot regions.[147]

In 2010/11, the minimum divisor decreased benefits for 2.7% (23,430) of regular benefit claimants and 3.4% (12,590) of special benefit claimants in the non-pilot regions. Had the Best 14 Weeks pilot project not been in place, the divisor would have affected 4.6% of regular claims and 2.6% of special claims in the pilot project regions.[148]

In 2010/11, claimants affected by the divisor received lower average weekly benefits than did claimants not affected by the divisor. Regular benefit claimants who were affected by the divisor received an average weekly benefit of $288, compared to the national average of $371. Table 11 indicates that, in 2010/11, the divisor was more likely to affect women, older claimants (55 and over), frequent claimants and, especially, occasional claimants in the non-pilot regions.

1.2 Small Weeks Provision

As previously mentioned, EI benefits are calculated using earnings in the 26-week period before the establishment of a claim. During that period, weeks with relatively lower earnings could reduce the benefits claimants receive. The objective of the Small Weeks provision is to encourage individuals to accept all available work by excluding weeks of earnings below $225 from the benefit calculation, provided that the number of weeks of earnings exceeds the minimum divisor.

As noted in the *2010 Monitoring and Assessment Report*, the Small Weeks provision was tested through multiple pilot projects from 1997 to 2001. Evaluation results[149] indicated that the provision increased total duration of work in the 26 weeks prior to job separation and increased the total average income of male and female participants. Based on these evaluation results, Small Weeks was made a permanent provision of the EI program in November 2001. In November 2005, the Best 14 Weeks pilot project replaced the Small Weeks provision in several EI economic regions of high unemployment. Consequently, the following analysis is based on the EI regions where the Best 14 Weeks pilot project was not in effect.[150]

The Small Weeks provision affected 233,860 of all claims established in 2010/11,which represents 19.3% of claims in non-pilot regions. The proportion of claims affected by the Small Weeks provision has continued to increase from 17.4% and 15.5% in 2009/10 and 2008/09, respectively. Small Weeks claimants received, on average, $21 more per week than they would have received had the provision not been in place, as the average weekly benefit for Small Weeks claims would have been $254, rather than $275.

The Small Weeks provision primarily benefits youth, women and non-frequent claimants. In 2010/11, it benefited 28.1% of youth workers[151] who established a claim but only 17.2% of workers aged 25 to 44, and the share of women who benefited was significantly higher than that of men (24.2% vs. 14.8%). In addition, occasional and first-time benefit claimants

[147] The Best 14 Weeks pilot project is currently in effect in 25 of the 58 EI economic regions. The divisor applies in the remaining 33 EI economic regions.

[148] The analysis on claims affected by the divisor is an approximation based on available EI administrative data.

[149] HRSDC, *An Evaluation of the EI Pilot Project on Small Weeks, 1998–2001* (Ottawa: HRSDC, Evaluation Directorate, 2001).

[150] The Best 14 Weeks pilot project applied to 23 EI economic regions from October 2005 until October 2008. The project has been extended from October 2008 until June 2011 in 25 EI economic regions.

[151] Youth workers are defined as those between the ages of 15 and 24.

benefited more from this provision than did frequent benefit claimants: 20.0% of occasional claimants and 19.9% of first-time claimants received higher weekly benefits as a result of the provision, while only 16.4% of frequent claimants did.

1.3 Best 14 Weeks Pilot Project

The Best 14 Weeks pilot project tests whether making EI benefits more reflective of full-time work earnings for people with sporadic work patterns encourages claimants to accept all available work. The pilot calculates benefits based on a claimant's 14 weeks of highest earnings during the 52-week period preceding the start of the claim or since the beginning of the claim. As previously mentioned, this pilot project essentially replaces the Minimum Divisor and Small Weeks provisions in the pilot project regions.

In particular, the pilot project effectively sets the divisor at 14 weeks in the pilot regions. It also extends the rate calculation period, from 26 weeks preceding the claim, to 52 weeks preceding the claim. The pilot project, which came into effect on October 30, 2005, was scheduled to end on October 25, 2008, but was re-introduced for two years in 2008 and then extended until June 23, 2012.

Administrative data indicate that 367,840 claimants benefited by receiving higher weekly benefits from the Best 14 Weeks pilot project in 2010/11. Claimants benefiting from the pilot project represented 58.0% of all claimants in the EI pilot regions in 2010/11, up from 56.3% and 53.7% in 2009/10 and 2008/09, respectively. Women were significantly more likely to benefit from the pilot; 74.6% of women in the pilot regions benefited from the pilot, compared with 46.9% of men.

Similarly, youth in the pilot regions were more likely to benefit from the pilot; 73.9% of those under 25 received a higher weekly benefit compared with 54.9% of older claimants. First-time (66.9%) and occasional (64.7%) claimants in the pilot regions were also more likely to benefit from the Best 14 Weeks pilot project than were frequent claimants (49.1%).

Had the pilot project not been in place, the average weekly benefit of affected claimants in 2010/11 would have been $290, instead of $337.[152] This suggests that claimants who benefited from the Best 14 pilot project received a weekly benefit rate that was, on average, $47 higher than it would have been had the pilot project not been in place.

2. Working While on Claim

2.1 Working While on Claim Provision

The intent of the Working While on Claim (WWC) provision[153] is to encourage work attachment by allowing claimants to accept all available work while receiving EI benefits without being penalized.

Under the provision, claimants may earn the greater of 25% of their weekly benefit or $50, without a reduction in their weekly benefits. Employment earnings above this threshold are deducted dollar-for-dollar from the claimant's weekly benefits. If a claimant's weekly benefits are reduced to zero, that week of entitlement may be deferred for later use within the same benefit period.

EI administrative data show that 926,560 (+1.8%) of all regular benefit claimants who established a claim in 2009/10 worked while on claim, accounting for 56.3% of all EI regular claimants.[154] This proportion increased by 1.7 percentage points from the previous year (54.6%) This suggests that the likelihood of finding employment while on claim remains relatively high.

2.2 Working While on Claim Pilot Project

The WWC pilot project increases the amount EI claimants may earn while on claim, without a reduction in their benefits, from the greater of $50 or 25% of their weekly benefit (as per the WWC provision) to the greater of $75 or 40%.

The WWC pilot project was introduced in 23 EI economic regions, from December 11, 2005 to December 6, 2008, to test whether allowing beneficiaries to earn more income while claiming EI benefits would encourage them to accept all available work while receiving EI benefits. The pilot

[152] The analysis on the effect of the Best 14 Weeks pilot project does not take into account the potential effects of the Small Weeks provision on weekly benefits.

[153] The provision applies to regular, parental and compassionate care benefits.

[154] Data on and analysis of the Working While on Claim provision relate to regular claims established in 2009/10 to ensure all claims were completed. Note that most of these claims were completed in 2010/11.

project was re-introduced and extended to all EI economic regions from December 7, 2008 until August 6, 2011, and was further extended to test the pilot through a period of economic recovery. It is scheduled to conclude on August 4, 2012. Since the WWC pilot project was extended to all EI regions in Canada on December 7, 2008, it is not possible to compare the impact of the pilot project to the impact of the legislated provision for 2009/10.

Consistent with recent years, frequent claimants are generally more likely to work while on claim than other claimants. For claims established in 2009/10, frequent claimants made up 31.0% of all regular claimants and 37.5% of regular claimants who worked while on claim. This proportional difference has remained relatively stable over time. These results reflect the fact that many frequent claimants have sporadic work patterns throughout the year, which are interspersed with periods during which they claim EI benefits. This work pattern may allow them to accumulate sufficient hours during their 52-week benefit period to subsequently qualify for another claim. First-time claimants continued to be underrepresented among those who worked while on claim. For claims established in 2009/10, first-time claimants accounted for 38.5% of all regular claims and for 32.0% of regular claimants who worked while on claim.

Among claimants who established a claim in 2009/10, 54.8% of weeks worked while on claim resulted in EI regular benefits being reduced to zero (-5.2 percentage points), preserving those weeks of entitlement. This was the second consecutive year of notable declines in the percentage of weeks reduced to zero (-3.7 percentage points for claims established in 2008/09). However, these findings suggest that not only are people able to find work while on claim (over half of regular claimants did in 2009/10), but also that many claimants are likely to earn sufficient income to fully defer EI regular benefits (over half of the weeks worked resulted in benefits being reduced to zero).

In 2009/10, all types of claimants experienced a decline in the proportion of weeks worked that resulted in a deferral of those weeks. Among first-time claimants who established a claim in 2009/10, only 38.0% of weeks worked resulted in the deferral of those weeks (-8.8 percentage points). However for frequent claimants, 67.8% of weeks worked resulted in a deferral of those weeks (-2.8 percentage points). The proportion of weeks worked that were deferred for occasional claimants was 53.3% (-5.1 percentage points).

First-time claimants were more inclined than were other types of claimants to accept work that would partially reduce their weekly EI regular benefit payments. Among first-time claimants, 45.6% of the weeks worked partially reduced their benefit payments (+6.9 percentage points) compared with only 19.2% for frequent claimants. During the late-2000s recession, the proportion of partial benefit weeks increased for first-time claimants (+5.0 percentage points in 2008/09) and remained relatively constant for occasional and frequent claimants.

For claims established in 2009/10, claimants who worked while on claim did so for an average of 12.9 weeks (+0.4 weeks), one full week longer than the average reported for claims established in 2007/08. On average, frequent claimants worked more weeks while on claim (14.1 weeks) than did first-time claimants (11.6 weeks). The average number of weeks worked while on claim increased for first-time and occasional claimants but remained constant for frequent claimants. The general increase in the number of weeks worked while on claim may be attributed to the increased availability of employment during this period of recovery.

3. New Entrant/Re-Entrant

3.1 New Entrant/Re-Entrant Provision

The New Entrant/Re-Entrant (NERE) provision requires individuals who are new to the labour force, as well as those returning after an extended absence, to meet a higher EI eligibility requirement. Specifically, the provision requires NEREs to have 910 hours of insurable employment in the 52 weeks prior to the start of their claim, rather than the 420 to 700 hours required for other claimants.[155]

[155] More information on the NERE provision can be found in Chapter 1.

The NERE provision seeks to encourage work attachment and strengthen the relationship between work effort and entitlement to benefits by ensuring workers make a reasonable contribution to the EI program before collecting benefits.

3.2 New Entrant/Re-Entrant Pilot Project

The NERE pilot project tested whether giving NEREs access to regular benefits after 840 hours of work rather than 910 hours, and informing them of EI employment training programs, would improve their employability and help reduce their future reliance on EI benefits. The pilot was introduced in 2005 in 23 EI economic regions of high unemployment (10% or higher) and was renewed in 2008 in 25 EI economic regions to better assess its effects throughout the recession and subsequent recovery period. The pilot project concluded as scheduled on December 4, 2010.

In 2010/11, a total of 4,500 claimants benefited from the NERE pilot project, a 40.6% reduction from the previous year. The main reason for this significant decline is that, as previously mentioned, the pilot was allowed to conclude in December 2010, approximately two-thirds of the way into 2010/11. Administrative data show that youth and first-time claimants benefited disproportionately from the pilot, as these individuals tend to exhibit weaker labour force attachment than do prime-aged and older workers. Of those claimants who benefited from the pilot project, 34.7% were under 25 years of age, while these youth workers accounted for only 11.1% of all regular claimants in the pilot project regions. Similarly, first-time claimants represented 76.7% of the population that benefited from the NERE pilot project and only 21.3% of all regular claimants in the pilot project regions.

An evaluation study analyzing the effects of the NERE pilot project[156] showed significant evidence of a change in the labour market behaviour of NEREs in response to the initiative. After the pilot was introduced, the proportion of NEREs who accumulated between 840 and 909 insured hours increased, while the proportion of NEREs who accumulated between 910 and 949 insured hours decreased. These findings combined suggest that the NERE pilot project may have encouraged claimants to work fewer hours before claiming EI regular benefits. In addition, this shows that employees in the pilot regions may have had some flexibility in adapting their work patterns in order to take advantage of the pilot. A summative evaluation study of the NERE pilot project[157] indicated that, although it provided greater access to EI regular benefits for NEREs, it did not increase their participation in training activities offered under EI Part II.

4. Extended EI Benefits Pilot Project

The Extended EI Benefits Pilot Project was introduced in 2004 for two years in 24 EI economic regions of high unemployment (10% or higher), to test whether providing more weeks of benefits would reduce the number of seasonal workers facing a gap between the exhaustion of their EI benefits and the resumption of their seasonal employment income. It was also aimed at testing whether there would be any associated behavioural effects. It was re-introduced in 2006 for 18 months in 21 EI economic regions and was later extended until May 31, 2009. The pilot was terminated in February 2009, with the introduction of the Extension of EI Regular Benefits temporary measure, as part of the Economic Action Plan, until September 11, 2010. The pilot project was then re-introduced, from September 12, 2010, to September 15, 2012, in the same 21 EI economic regions to allow for further testing through a period of economic recovery; however, it may be terminated earlier if there is a sustained economic recovery.[158] Under the Extended EI Benefits pilot project, the maximum number of regular weeks of benefits is increased by 5, to a maximum of 45 weeks.

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[156] HRSDC, *Evaluation Report on the Impacts of the EI Pilot Project on Increased Access to Benefits by New Entrants and Re-Entrants* (Ottawa: HRSDC, Evaluation Directorate, 2010).

[157] Carole Vincent, *The NERE Pilot Project Evaluation: Summary of Results for the 2009 Employment Insurance Monitoring and Assessment Report* (Ottawa: Social Research and Demonstration Corporation, 2009).

[158] The pilot project will conclude earlier in regions where the unemployment rate is less than 8% for 12 consecutive months. This was the case for the EI economic region of St. John's and, as a result, the Extended EI Benefits pilot project ended in this region on September 24, 2011.

TABLE 12

Regular Claimants Who Benefited From Extended EI Benefits in 2010/11[159]

	% of Regular Claimants Who Benefited From Extended EI Benefits Pilot	% of Regular EI Claimants[160]
Gender		
Male	69.5%	67.9%
Female	30.5%	32.1%
Age		
Under 25	11.4%	12.5%
25-54	66.3%	68.5%
55 and over	22.3%	18.9%
EI History		
First-Time Claimants	15.6%	30.5%
Occasional Claimants	26.7%	32.9%
Frequent Claimants	57.6%	36.7%

Between September 2010 and March 2011, a total of 313,030 claimants benefited from the Extended EI Benefits pilot project, representing 34.3% of all EI regular benefit claimants during this period.[161] As indicated in Table 12, the pilot was significantly more likely to benefit frequent claimants and, to a lesser extent, workers aged 55 years or older. In addition, the pilot was significantly less likely to benefit occasional claimants and somewhat less likely to benefit youth and prime-aged workers.

IV. EVALUATION OF EMPLOYMENT BENEFITS AND SUPPORT MEASURES

Formative and summative evaluations of Part II Employment Benefits and Support Measures (EBSMs) have been done for all provinces and territories. The evaluations were conducted as per the requirements of the bilateral Labour Market Development Agreements (LMDAs) established with the provinces and territories. At the time of the evaluations, the agreements called for a two-phased approach consisting of a formative and a summative evaluation. The formative evaluations examined issues of program design, delivery and implementation. The summative evaluations measured net impacts on participants and assessed program relevance, outcomes and cost effectiveness. The formative evaluations were completed in 2002, while the summative evaluations were completed in 2011.[162] The final evaluation reports are available on the HRSDC website: **http://www.rhdcc-hrsdc.gc.ca/eng/publications_resources/evaluation/index_2.shtml#_9.**

The following section discusses the net impacts of EBSMs across all jurisdictions except Nunavut. It also provides an overview of the medium-term net impacts revealed by a recent follow-up study of British Columbia EBSM participants. This study, which examined net impacts over a period of five years after participants had used EBSMs, provides useful insights on the effectiveness of EBSMs in the medium term and a comparison with the initial program costs. Finally, the section includes an overview of studies of similar programming delivered in other Organisation for Economic Co-operation and Development (OECD) countries and a discussion of lessons learned from the first summative evaluation cycle.

[159] Data reported are based on regular claims established in the pilot regions between September 2010 and March 2011.

[160] The Extended EI Benefits pilot project did not come into effect until September 2010. Therefore, data reported are based on regular claims established between September 2010 and March 2011 to provide more accurate proportions.

[161] Data reported are based on regular claims established in the pilot region between September 2010, and March 2011.

[162] Ontario signed a transfer LMDA to deliver EBSMs that took effect on January 1, 2007. The summative evaluation conducted in Ontario pertained to EBSMs delivered federally.

1. Net Impacts of Employment Benefits and Support Measures[163]

This section discusses net impacts found in all the jurisdictions except Nunavut, where it has not been possible to conduct this type of analysis due to methodological constraints.[164] The net impact analysis consisted of assessing program impacts relative to what would have happened in the absence of the program.[165] It compared the pre- and post-program experiences of participants with those of similar individuals who did not participate in the programs.[166] Impacts were measured relative to different reference periods between 1998 and 2005,[167] and were examined over post-program periods that ranged from one to three years.

Results from the evaluations are presented by intervention and claimant type (active or former) for three outcome indicators: annual hours of employment, annual earnings from employment and annual number of weeks of EI benefits received.[168] Tables 13 to 17 summarize the range of positive and negative statistically significant impacts[169] found in the evaluations. These tables also include the ratio of provinces/territories (P/Ts) where the positive, negative and statistically non-significant impacts were found. The three outcome indicators were not necessarily assessed for each intervention or claimant type in each evaluation, mainly due to the small client population for some of the interventions.

1.1 Skills Development (SD)[170]

Evaluation results showed that SD is the most effective intervention in increasing the earnings of active claimants. In the majority of provinces and territories where impacts on earnings for active claimants were examined, participation in SD resulted in increases in annual earnings ranging from $1,985 to $4,796.

The positive impact of SD on employment earnings for active claimants may be explained in part by the fact that many of these interventions led participants to obtain credentials. A majority of SD participants reported that they received some sort of credential after completing the program, and there is empirical evidence that such credentials may signal productivity to prospective employers.[171]

SD's impact on employment for active claimants was statistically non-significant in the majority of provinces and territories where this outcome was assessed. The one jurisdiction that reported statistically significant results had an increase of 211 hours (approximately five weeks of full-time work[172]).

The evaluations reported mixed impacts on EI use. However, a majority of jurisdictions had decreases ranging from 1.0 to 3.2 weeks, while two jurisdictions reported increases of about 2 weeks each.

As shown in Table 13, the evaluations revealed a mixed pattern of results for former claimants as both positive and negative impacts were reported for all three outcome indicators. In addition, the results were often statistically non-significant.

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[163] For a more detailed summary of EBSM impacts, see the following report: HRSDC, based on work by Walter Nicholson, Amherst College, *An Overview of the Summative Evaluations of EBSMs Delivered Under the Labour Market Development Agreements in Canada: Summary of Quantitative Results* (Ottawa: HRSDC, Evaluation Directorate, 2011). The report was originally prepared by Walter Nicholson and provided an overview of the LMDA summative evaluations completed by 2008; HRSDC later updated it to include findings from all other evaluations and more recent literature.

[164] Due to the small sample size in this jurisdiction.

[165] As clients may be participating in more than one intervention, the evaluations used a unit of analysis termed an Action Plan Equivalent (APE) and measured the net impacts for the principal EBSM or similar program in a given APE. In every jurisdiction except Quebec, the APE is either a single intervention or a series of interventions no more than six months apart. In Quebec, it is either a single intervention or a series of interventions no more than four months apart. The principal EBSM is the longest intervention of the APE.

[166] A reference group was used in some jurisdictions when it was not possible to find an adequate comparison group.

[167] The net impacts were assessed for participants who started and completed an APE sometime between 1998 and 2005.

[168] In some jurisdictions, the evaluation only assessed the impacts on the use of EI benefits. In these cases, the number of weeks was calculated using an average of $250 per week. Also, in one jurisdiction, the impacts on EI use were assessed based on the proportion of time spent on EI. For this jurisdiction, the number of weeks of EI use was estimated by multiplying the proportion of time spent on EI by 52 weeks. In previous years, the results for this jurisdiction were misreported because a comparison group average of 15 weeks was used to convert the results from the proportion of time spent on EI into EI weeks.

[169] Statistically significant impacts reported in the tables are those at the 95% level.

[170] Apprentices were not included in the net impact analysis for methodological reasons related to difficulties in findings an adequate comparison group.

[171] John P. Martin and David Grubb, *What Works and for Whom: A Review of OECD Countries' Experiences With Active Labour Market Policies* (Paris: OECD, 2001).

[172] Full-time work is considered to be 40 hours of work per week.

TABLE 13

Skill Development
(Net Impacts Reported in the Evaluations)

	Active	Former
Employment (hours/year)		
Range of positive impacts	**+211 hours**	**+117 to +342 hours**
Ratio of P/Ts	*1/6*	*2/6*
Range of negative impacts	–	**-235 hours**
Ratio of P/Ts		*1/6*
Ratio of P/Ts with non-significant results	*5/6*	*3/6*
Earnings ($/year)		
Range of positive impacts	**+$1,985 to +$4,796**	**+$1,766 to +$5,276**
Ratio of P/Ts	*8/11*	*2/8*
Range of negative impacts	–	**-$3,868**
Ratio of P/Ts		*1/8*
Ratio of P/Ts with non-significant results	*3/11*	*5/8*
EI Weeks		
Range of positive impacts	**-3.2 to -1.0 weeks**	**-9.0 weeks**
Ratio of P/Ts	*7/12*	*1/9*
Range of negative impacts	**+1.8 to +2.0 weeks**	**+0.6 to +4.3 weeks**
Ratio of P/Ts	*2/12*	*3/9*
Ratio of P/Ts with non-significant results	*3/12*	*5/9*

TABLE 14

Targeted Wage Subsidies
(Net Impacts Reported in the Evaluations)

	Active	Former
Employment (hours/year)		
Range of positive impacts	**+296 hours**	**+194 to +419 hours**
Ratio of P/Ts	*1/6*	*4/5*
Range of negative impacts	–	–
Ratio of P/Ts		
Ratio of P/Ts with non-significant results	*5/6*	*1/5*
Earnings ($/year)		
Range of positive impacts	**+$3,136 to +$4,572**	**+$2,642 to +4,404**
Ratio of P/Ts	*3/9*	*4/7*
Range of negative impacts	–	–
Ratio of P/Ts		
Ratio of P/Ts with non-significant results	*6/9*	*3/7*
EI Weeks		
Range of positive impacts	**1.6 to -1.2 weeks**	–
Ratio of P/Ts	*2/10*	
Range of negative impacts	**+1.0 to +9.2 weeks**	**+0.2 to +9.4 weeks**
Ratio of P/Ts	*2/10*	*4/8*
Ratio of P/Ts with non-significant results	*6/10*	*4/8*

1.2 Targeted Wage Subsidies (TWS)

TWS was the most effective intervention in increasing the employment hours and earnings of former claimants. Increases in employment hours were found in the majority of provinces and territories where this outcome was assessed. These ranged from 194 to 419 hours (approximately 5 to 10 weeks of full-time employment). Similarly, former claimants increased their earnings by $2,642 to $4,404 in a majority of jurisdictions.

Former claimants increased their EI use by 0.2 to 9.4 weeks in half of the provinces and territories where this outcome was measured. These negative impacts may reflect effects related to eligibility: employment under TWS is insurable under EI, so eligibility is more or less automatic for most participants. Even if there are employment gains after the intervention, some participants may still lose their subsidized jobs and claim EI.

Participation in TWS also led to positive impacts on employment and earnings for active claimants but less consistently than for former claimants. Employment increased by 296 hours (approximately seven weeks of full-time employment) in the only jurisdiction that reported statistically significant results (five out of the six jurisdictions had statistically non-significant results). Earnings gains ranging from $3,136 to $4,572 were found in three out of nine jurisdictions. The remaining provinces and territories had statistically non-significant impacts. TWS had mixed impacts on EI use with relatively small decreases in two jurisdictions (-1.2 and -1.6 weeks) and increases of 1.0 and 9.2 weeks in two other jurisdictions. Non-significant results were found in the remaining six jurisdictions where this outcome was examined.

Overall, the more consistent positive results found for former claimants in the evaluations may be explained by the fact that people who have been out of the labour force for a substantial period of time appear to benefit from the opportunity to acquire job-related skills at a lower cost to employers through the wage subsidy.

1.3 Self-Employment (SE)

Participation in SE had similar patterns of results for active and former claimants. It generally led to increases in hours worked and decreases in EI use, but it tended to result in decreased earnings.

Active claimants had gains in employment ranging from 168 to 558 hours (or 4 to 14 weeks of full-time work) in the majority of provinces and territories where this outcome was measured. For former claimants, the increases were higher—ranging from 372 to 1,087 hours (or 9 to 27 weeks of full-time work)—but were less consistent than those found for active claimants.

Active claimants saw decreases in earnings ranging from $466 to $5,058 in three provinces and territories, while the remaining jurisdictions reported statistically non-significant results. Former claimants saw a positive impact in one jurisdiction (+$4,645) and negative results in two other jurisdictions (-$2,617 and -$3,639).

SE resulted in decreased use of EI weeks among both active and former claimants in the vast majority of provinces and territories. Decreases for active claimants ranged from 1.3 to 16.4 weeks, while those reported for former claimants ranged from 1.1 to 14.0 weeks. Because weeks of self-employment were not insurable under EI during the period covered by the evaluations, it is likely that the results found with respect to EI use largely reflect eligibility effects among SE participants.

TABLE 15
Self-Employment
(Net Impacts Reported in the Evaluations)

	Active	Former
Employment (hours/year)		
Range of positive impacts *Ratio of P/Ts*	**+168 to +558 hours** *4/5*	**+372 to +1,087 hours** *2/4*
Range of negative impacts *Ratio of P/Ts*	–	–
Ratio of P/Ts with non-significant results	*1/5*	*2/4*
Earnings ($/year)		
Range of positive impacts *Ratio of P/Ts*	–	**+$4,645** *1/5*
Range of negative impacts *Ratio of P/Ts*	**-$5,048 to -$466** *3/8*	**-$3,639 to -$2,617** *2/5*
Ratio of P/Ts with non-significant results	*5/8*	*2/5*
EI Weeks		
Range of positive impacts *Ratio of P/Ts*	**-16.4 to -1.3 weeks** *7/8*	**-14.0 to -1.1 weeks** *4/5*
Range of negative impacts *Ratio of P/Ts*	–	–
Ratio of P/Ts with non-significant results	*1/8*	*1/5*

1.4 Job Creation Partnership (JCP)

The results are quite varied and often statistically non-significant for JCP. Therefore, no clear trend can be identified about the effects of this intervention on either active or former claimants.

Active claimants in this intervention had an increase in employment of 285 hours (or about 7 weeks of full-time employment) in one out of the four jurisdictions where this outcome was assessed. Impacts were statistically non-significant in the remaining provinces and territories. Where the impacts on earnings were statistically significant, they ranged from an increase of $5,826 to a decrease of $2,471. A small decrease in weeks of EI use was reported in one jurisdiction, while results for EI use were statistically non-significant in most provinces and territories.

Former claimants in JCP saw no statistically significant impacts in the majority of jurisdictions and an increase of 85 hours (or about two weeks of full-time work) in one instance. Results for earnings were negative, with decreases ranging from -$1,343 to -$3,750. Finally, among the five jurisdictions where use of EI weeks was examined, one reported a negative impact (an increase of 1.5 weeks). The others had statistically non-significant results.

TABLE 16
Job Creation Partnership
(Net Impacts Reported in the Evaluations)

	Active	Former
Employment (hours/year)		
Range of positive impacts *Ratio of P/Is*	**+285 hours** *1/4*	**+85 hours** *1/4*
Range of negative impacts *Ratio of P/Is*	–	–
Ratio of P/Is with non-significant results	*3/4*	*3/4*
Earnings ($/year)		
Range of positive impacts *Ratio of P/Is*	**+$3,565 to +5,826** *2/6*	–
Range of negative impacts *Ratio of P/Is*	**-$2,471** *1/6*	**-$3,750 to -$1,343** *3/5*
Ratio of P/Is with non-significant results	*3/6*	*2/5*
EI Weeks		
Range of positive impacts *Ratio of P/Is*	**-1.6 weeks** *1/6*	–
Range of negative impacts *Ratio of P/Is*	–	**+1.5 weeks** *1/5*
Ratio of P/Is with non-significant results	*5/6*	*4/5*

TABLE 17
Employment Assistance Services
(Net Impacts Reported in the Evaluations)

	Active	Former
Employment (hours/year)		
Range of positive impacts *Ratio of P/Is*	–	**N/A**
Range of negative impacts *Ratio of P/Is*	–	**N/A**
Ratio of P/Is with non-significant results	*5/5*	**N/A**
Earnings ($/year)		
Range of positive impacts *Ratio of P/Is*	**+$1,468 to +3,070** *2/8*	**N/A**
Range of negative impacts *Ratio of P/Is*	–	**N/A**
Ratio of P/Is with non-significant results	*6/8*	**N/A**
EI Weeks		
Range of positive impacts *Ratio of P/Is*	**-2.0 to -1.0 weeks** *4/9*	**N/A**
Range of negative impacts *Ratio of P/Is*	**+5.6 to +13.0 weeks** *2/9*	**N/A**
Ratio of P/Is with non-significant results	*3/9*	**N/A**

1.5 Employment Assistance Services (EAS)

Generally short in duration and low in cost, EAS are often provided in combination with another employment benefit. However, some participants may participate only in EAS. Impacts of participation in EAS only were not measured for former claimants in the vast majority of evaluations, mainly due to methodological considerations.

Results for active claimants who participated only in EAS were often statistically non-significant. This makes it difficult to identify any trends about the effectiveness of this support measure.

None of the jurisdictions where EAS impacts on employment were measured had statistically significant results. Similarly, out of the eight provinces and territories where earnings impacts were examined, only two had statistically significant results. These showed increases in earnings of $1,468 and $3,070.

Although results related to EI use were more consistently statistically significant, both positive and negative effects were found. Decreases in EI use ranged from 1.0 to 2.0 weeks in four out of nine jurisdictions, while increases of 5.6 and 13.0 weeks were found in two other jurisdictions.

2. Canada–British Columbia Labour Market Development Agreement: A Follow-Up Study of Medium-Term Impacts

The following summarizes the key results of a case study examining the medium-term net impacts and cost-benefit of EBSMs delivered under the Canada–British Columbia LMDA.[173] This is the first study conducted in any jurisdiction on the medium-term impacts of EBSMs. It measured net impacts and did a cost-benefit analysis for a post-participation period of five years for a cohort of active claimants who ended their participation between April 2000 and March 2001. These participants were covered by the net impact analysis conducted in the summative evaluation of the Canada–British Columbia LMDA in 2004. Due to methodological challenges in establishing an appropriate comparison group, the study did not cover former claimants.

2.1 Net Impact Results

Consistent with the results found in the initial summative evaluation of EBSMs in British Columbia, the study revealed that participation in SD led to statistically significant positive impacts on earnings for active claimants. It revealed that the positive impacts were sustained over the five-year post-program period, and earnings gains increased over time, from $4,427 in the first year to $6,669 in the fifth year. Results pertaining to the use of EI benefits were statistically non-significant in all years.

The case study also showed that TWS led to positive and enduring earning benefits for active claimants. Similar to SD, the earnings gains increased over time, from $3,926 in the first year to $7,413 in the fifth year.[174] Results for EI use were statistically non-significant in all years.

Earning impacts were negative in all years for SE. However, earning losses tended to diminish over time, going from -$10,134 in the first year to -$5,043 in the fourth year post-program.[175] The study found decreases in use of EI benefits in the first three years following participation (these were -$669, -$1,194 and -$785, respectively). The impacts for the fourth and fifth years were statistically non-significant.

Impacts on both earnings and use of EI benefits were statistically non-significant for JCP and EAS in each of the post-program years examined.

Overall, the net impacts found in this case study reflect patterns very similar to those reported in the initial Canada–British Columbia LMDA summative evaluation. The findings also revealed that EBSM impacts—particularly for SD, TWS and SE—tended to improve over time.

2.2 Results of the Limited Cost-Benefit Analysis

The cost-benefit analysis was limited to comparing the benefits and costs arising from program participation to determine whether value for money was achieved. It examined the net present value of impacts achieved in British Columbia in the five years following participation and compared it with the costs of participation for participants and the government. The benefits and costs were defined as follows.

- The benefits were the changes in the net income of participants. These consisted of the net impacts on earnings from employment after taxes minus the net reduction in EI and SA benefits received.
- The costs of participation included the following components.
  - *Costs of delivering the program:* The average costs to government of delivering the program, excluding the costs of government staff, overhead costs and any net costs incurred by a third party.
  - *Out-of-pocket costs:* These were the average costs to the participants of participating in EBSMs. They include travel, tuition, and training- or job search-related costs. Information on average out-of-pocket costs to participants is collected through surveys.
  - *Foregone earnings or opportunity costs:* These were the net reductions in participants' earnings during participation. While participating, individuals tend to have earnings below what they would have earned had they not participated.

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[173] HRSDC, *Follow-Up Study of the Summative Evaluation of Employment Benefits and Support Measures Delivered Under the Canada-British Columbia LMDA* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[174] Impacts in all years achieved the significance level of 95%, except for the second year, where the result was only statistically significant at the 90% level.

[175] Results for the fifth year were only statistically significant at the 90% level.

TABLE 18

Costs and Benefits, by Type of EBSM, for Active Claimants

	Total Average Costs	Total Benefits	Net Present Value
Skills Development (SD)	$9,641	$23,160	$13,519
Targeted Wage Subsidies (TWS)	$5,108	$20,318	$15,210
Self Employment (SE)	$16,279	-$32,532	-$48,811
Job Creation Partnerships (JCP)	$7,415	$5,266	-$2,149
Employment Assistance Services (EAS)	$1,082	$5,390	$4,308

Table 18 outlines the costs, benefits and net present value estimated for each EBSM in the case study conducted in British Columbia. The present value of benefits for SD, TWS and EAS exceeded the costs by $13,519, $15,210 and $4,308, respectively. However, the costs of delivering and undertaking SE and JCP exceeded the benefits. In the case of SE, the costs exceeded the benefits by $48,811. This figure was largely driven by participants' reduced employment earnings following this intervention.

3. International Comparisons

Overall, the LMDA evaluations showed that EBSMs yield positive but modest impacts for participants, though such findings were not consistent across all jurisdictions. These results are also in line with those found for comparable interventions delivered in other OECD countries.

Public training programs delivered in other countries generally have positive labour market impacts for adults. They tend to improve the likelihood of employment and to increase the earnings of employed participants.[176] This finding mirrors the effect of SD on the earnings of active claimants in the LMDA evaluations. These participants had gains in the 10% to 20% range, which are large by international standards. Interestingly, a recent meta-analysis of 97 micro-econometric evaluations of active labour market policies reported that classroom and on-the-job training programs are more likely to yield more favourable outcomes in the medium term (12 to 24 months) than in the short term.[177] This is somewhat in line with the findings from the case study conducted in British Columbia.

According to a recent review of several studies of wage subsidy programs,[178] this type of intervention generally results in modest gains in employment and labour force participation, with net increases in employment ranging from 3 to 9 percentage points. These studies did not report declines in earnings associated with the employment gains. This suggests that participants are not necessarily compromising on their earnings to improve their prospects of finding employment. In the LMDA evaluations, the gains in employment hours among former claimants in TWS were also generally accompanied by increases in earnings. In proportional terms, these employment and earnings increases were in the range of 15% to 20%, which is roughly in line with findings in the United States.[179]

Studies on self-employment assistance have reported mixed findings.[180] They have generally found such help results in increased business starts, longer business survival and a higher probability of being employed. However, findings about the effects of this help on earnings and use of employment/unemployment insurance were both positive and negative. For example, a study of labour force dynamics found that a one-year spell of self-employment for men reduces subsequent earnings after they return to the wage sector by between 3% and 11%.[181] However, the

[176] HRSDC, *Technical Report on Literature Review of Active Labour Market Policies* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[177] David Card, Jochen Kluve and Andrea Weber, *Active Labour Market Policy Evaluations: A Meta-Analysis* (Bonn: Institute for the Study of Labour (IZA), Discussion Paper No. 4002, February 2009).

[178] HRSDC, *Technical Report on Literature Review of Active Labour Market Policies* (Ottawa: HRSDC, Evaluation Directorate, 2011).

[179] Howard Bloom, et al., "The Benefits and Costs of JTPA Title II-A Programs: Key Findings for the National Job Training Partnership Act Study," *Journal of Human Resources* 32, 3 (1997), pp. 549–576. Judith M. Gueron and Edward Pauly, *From Welfare to Work* (New York: Manpower Demonstration Research Corporation, 1991). Manpower Demonstration Research Corporation, Board of Directors, *Summary and Findings of the National Supported Work Demonstration* (New York: Russell Sage Foundation, 1991).

[180] HRSDC, *Technical Report on Literature Review of Active Labour Market Policies* (Ottawa: HRSDC, Evaluation Directorate, 2011).

authors noted that the negative impacts from spells of self-employment are considerably smaller than those from unemployment itself.

Findings from the LMDA evaluations have not shown any clear trends related to JCP effectiveness. In comparison, studies of public service employment programming in other OECD countries generally report that these programs are relatively ineffective. The meta-analysis cited earlier reported that this type of intervention has the least favourable impacts of all active labour market programs.[182]

It is also difficult to draw conclusions about the effectiveness of EAS in Canada based on the evaluations. Studies of similar types of employment services in other countries reveal that this type of programming can have positive impacts. For example, the meta-analysis of 97 micro-econometric studies found that job search assistance has relatively favourable impacts in the short term.[183]

4. Lessons Learned from the First Summative Evaluation Cycle

Overall, the summative evaluations show that:

- SD is the most effective intervention in increasing the earnings of active claimants (that is, individuals with more recent employment experience and, therefore, stronger labour market attachment);
- TWS is the most effective intervention in increasing the earnings and employment hours of former claimants (that is, individuals with less recent employment experience and weaker labour market attachment);
- SE leads to increases in employment hours and to decreases in EI use and employment earnings; and
- it is not clear to what extent JCP and EAS are effective.

The recent case study in British Columbia has also provided some evidence that the impacts of SD and TWS can persist and even improve over time. It has indicated that SD, TWS and EAS may achieve value for money within a five-year period and highlighted the need to examine the long-term impacts of EBSMs in future evaluation work.

The first cycle of summative evaluations has raised a number of other questions that are worth considering in future work, in order to improve understanding of how and for whom EBSMs work. For example, areas for future inquires could include an examination of the following:

- the long-term impacts of SE on participants' earnings and EI use, especially because the EI eligibility requirements have changed since the previous evaluations were conducted (for example, starting in 2010, self-employed individuals can now participate in the EI special benefits;
- which interventions work for various subgroups of participants, such as women, youth, older workers and seasonal workers; and
- the effects of various program modalities (such as training versus basic education) or of various combinations of interventions.

The lessons learned and questions raised from the first cycle of summative evaluations will guide future evaluation work. The approach for the next summative evaluation cycle will be developed in collaboration with the provinces and territories. The new cycle is planned to start in 2012.

V. EI FINANCES

The EI program is financed entirely by contributions from employees and employers, via premiums paid on insured earnings up to the maximum insurable earnings threshold (MIE). Under the *Employment Insurance Act*, the MIE is indexed annually based on the average industrial earnings published by Statistics Canada. The MIE also represents the maximum amount considered in applications for EI benefits. The EI program is based on the principle of universal coverage of all employees in insurable employment, which helps ensure that premiums remain low and relatively stable over time.

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[182] Donald Bruce and Herbert J. Schuetze, "The labor market consequences of experiences in self-employment," *Labour Economics* 11 (2004), pp. 575–598.

[183] David Card, Jochen Kluve and Andrea Weber, *Active Labour Market Policy Evaluations: A Meta-Analysis* (Bonn: Institute for the Study of Labour (IZA), Discussion Paper No. 4002, February 2009).

[183] David Card, Jochen Kluve and Andrea Weber, *Active Labour Market Policy Evaluations: A Meta-Analysis* (Bonn: Institute for the Study of Labour (IZA), Discussion Paper No. 4002, February 2009).

On December 15, 2009, the *Fairness for the Self-Employed Act* was passed to extend special benefits to self-employed Canadians. This legislation allows self-employed people to opt into the EI program voluntarily, recognizing their unique position in determining their own employment status, as they are, by definition, both the employee and the employer. Since January 31, 2010, self-employed Canadians have been able to opt in to the EI program, with special benefits being paid as early as January 2011. Self-employed Canadians who opt in must pay EI premiums on an ongoing basis for at least 12 months to be eligible for special benefits. Self-employed individuals pay the same EI premium rate as salaried employees but are not required to pay the employer portion of premiums, as they do not have access to EI regular benefits.

The following subsections report on recent trends in EI premium contributions and expenditures, the establishment of the Canada Employment Insurance Financing Board and the EI Operating Account, and key elements and new developments related to EI finances.

1. Trends in Contributions and Expenditures

Employee premiums apply to every $100 of insurable earnings, up to the MIE. Employers pay premiums that are 1.4 times those of employees. When the system was set up, it was felt that employers have more control over layoffs and, therefore, should bear a higher overall share of program costs.

Employee premiums increased in 2011 to $1.78 per $100 of insurable earnings, after remaining frozen at $1.73 in both 2009 and 2010 and declining for the 14 consecutive years up to and including 2008. Accordingly, employer premiums increased in 2011 to $2.49 per $100 of insurable earnings, after remaining at $2.42 in 2010 and 2009.

Over time, the effect of declining premium rates on revenues has been partially offset by a general increase in the size of the labour force and by recent increases in the MIE. The MIE increased to $44,200 in 2011 from $43,200 in 2010, $42,300 in 2009 and $41,100 in 2008.[184]

TABLE 19

EI Premiums and Maximum Insurable Earnings, Canada and Quebec, 2006-2012

	Annual Maximum Insurable Earnings	(per $100 of IE)		Contribution		Weekly Benefit*
		Employees	Employers	Employees	Employers	
2006	$39,000	$1.87	$2.62	$729.30	$1,021.02	$413
2006 QC	$39,000	$1.53	$2.14	$596.70	$835.38	$413
2007	$40,000	$1.80	$2.52	$720.00	$1,008.00	$423
2007 QC	$40,000	$1.46	$2.04	$584.00	$817.60	$423
2008	$41,100	$1.73	$2.42	$711.03	$995.44	$435
2008 QC	$41,100	$1.39	$1.95	$571.29	$799.81	$435
2009	$42,300	$1.73	$2.42	$731.79	$1,024.51	$447
2009 QC	$42,300	$1.38	$1.93	$583.74	$817.24	$447
2010	$43,200	$1.73	$2.42	$747.36	$1,046.30	$457
2010 QC	$43,200	$1.36	$1.90	$587.52	$822.53	$457
2011	$44,200	$1.78	$2.49	$786.76	$1,101.46	$468
2011 QC	$44,200	$1.41	$1.97	$623.22	$872.51	$468
2012	$45,900	$1.83	$2.56	$839.97	$1,175.96	$485
2012 QC	$45,900	$1.47	$2.06	$674.73	$944.62	$485

* Maximum weekly benefit based on the maximum insurable earnings.

Source: Canada Employment Insurance Financing Board *2012 Employment Insurance Premium Rate Report of the CEIFB Board of Directors* (Ottawa: CEIFB, November 2011).

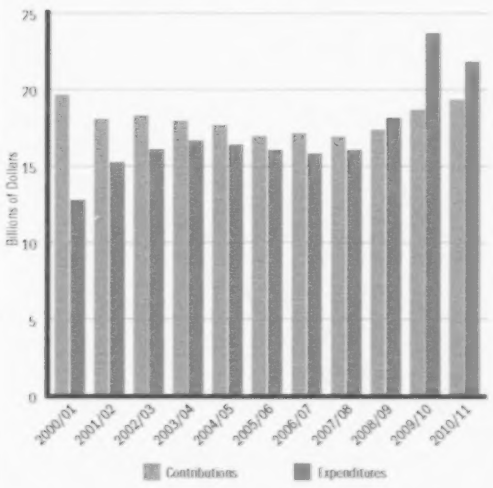
[184] Canada Employment Insurance Financing Board, *2012 Employment Insurance Premium Rate Report of the CEIFB Board of Directors*, (Ottawa: CEIFB, November 2011).

EI expenditures declined gradually from 2003/04 to 2006/07, due to the combined effect of the declining unemployment rate and the implementation of the Quebec Parental Insurance Plan (QPIP) in 2006.[185] The late-2000s recession reversed this trend, increasing EI expenditures by 12.9% in 2008/09 and by another 30.5% in 2009/10. In 2010/11, a reduction in the volume of regular claims and the phasing out of Economic Action Plan measures resulted in an overall decrease (-7.9%) in EI expenditures. Despite this latest decrease, EI expenditures remained 35.7% higher in 2010/11 than the pre-recession level in 2007/08.

On the premium side, a decline in premiums and an increase in the number of contributors kept overall contributions to the EI program relatively stable from 2005/06 to 2007/08. The fact that premiums remained frozen in 2009 and 2010 and increased slightly in 2011, combined with additional funding to finance the EI temporary measures included under the Economic Action Plan, led to a gradual increase in EI contributions in 2008/09, 2009/10 and 2010/11.

CHART 19

EI Annual Contributions and Expenses



Source:
Public Accounts of Canada, 2001 to 2011.

As the increase in expenditures surpassed the increase in contributions, operational deficits were reported in the last three fiscal years (see Chart 19).

Implemented on January 1, 2006, the Quebec Parental Insurance Plan (QPIP) replaces the maternity, parental and adoption benefit scheme previously provided to Quebec parents under EI. The QPIP pays benefits to all eligible workers in Quebec–salaried and self-employed–who take maternity leave, parental leave or adoption leave. Since Quebec manages its own parental program, EI premium rates are lower for Quebec workers than for those living elsewhere in Canada. For instance, in 2011, while the national EI premium rate was $1.78 per $100 of insurable earnings, the rate for Quebec workers was $1.41.

2. Premium Reduction Program and Premium Refunds

The Premium Reduction Program (PRP) reduces EI premiums for employers if their employees are covered by a short-term disability plan that meets or exceeds certain requirements set by the EI Commission. To be eligible, employers must show how they return the employee share of the premium reduction to workers. Premiums are reduced on about 60% of all insurable earnings in Canada.

There were 32,050 employers participating in the EI Premium Reduction Program in 2010/11 and the number of employees covered by a registered plan was approximately 6 million or over 40% of the insured population.[186] In 2010, participating employers received a total of $861 million in premium reductions.[187]

The EI program has specific provisions for contributors who are unlikely to qualify for benefits. Employees with insured earnings of less than $2,000 are entitled to a refund of their EI premiums when they file an income tax return. According to Canada Revenue Agency data, 1.2 million individuals were eligible for an EI premium refund in 2009, representing 6.7% of those in paid employment. This proportion has decreased throughout the decade, as average insured earnings have increased, while the threshold has remained at $2,000.

[185] Maternity and parental benefits payable under QPIP replaced maternity and parental benefits payable under EI in Quebec.

[186] The Canada Revenue Agency uses business numbers to administer reduced premiums. A single employer may have more than one business number.

[187] Canada Employment Insurance Financing Board, *2012 Report of the Chief Actuary Employment Insurance Rates of Premium Reduction for Registered Wage-Loss Replacement Plans* (Ottawa: CEIFB Actuary's Office, November 2011).

3. Canada Employment Insurance Financing Board

In Budget 2008, the federal government announced it would improve the management and governance of EI finances by creating the Canada Employment Insurance Financing Board (CEIFB), an independent Crown corporation.

The CEIFB is responsible for setting the annual premium rate and ensuring that EI revenues and expenditures break even going forward. The CEIFB also manages a separate account in which EI premium revenues that exceed EI expenditures, from January 1, 2009 onward, are held and invested until they are returned to premium payers through lower premiums in subsequent years.

In determining the annual rate, the CEIFB takes into account information provided by its chief actuary; the latest economic and EI program-related forecasts provided by the Ministers of Finance and of Human Resources and Skills Development, respectively; and any other information that the CEIFB considers necessary. To set the annual EI premium rate, the CEIFB must consider two elements: the forecasted break-even rate and the legislated limits on the annual fluctuations in the premium rate. The forecasted break-even rate is calculated on a one-year forward-looking basis. It must include repayment, over a single year, of any deficit in the EI Operating Account since January 1, 2009 or the liquidation of any surplus over a single year.

The *Employment Insurance Act* limits the annual change in the EI premium rate to 15 cents. However, to help maintain the momentum of the ongoing economic recovery, the Government of Canada has limited the maximum annual change in the premium rate to 5 cents for 2011. Consequently, the CEIFB has set the premium rate to $1.78 ($1.41 in Quebec) for 2011.

4. EI Operating Account

In addition to establishing the CEIFB, the federal government set up an EI Operating Account to record all EI-related credits and charges since January 1, 2009, the date on which the CEIFB became responsible for ensuring that EI revenues and expenditures balance. The previous EI Account, which was part of the Government of Canada's Consolidated Revenue Fund, was closed and removed from the Public Accounts of Canada as of December 31, 2008.

Each year, the Receiver General of Canada tables in Parliament the Public Accounts of Canada, which include the EI Operating Account. According to the 2011 Public Accounts of Canada, in 2010/11, EI expenditures ($21.808 billion) exceeded EI revenues ($17.919 billion) and additional funding from the Government of Canada[188] ($1.428 billion) by $2.462 billion. The cumulative deficit in the EI Operating Account was reported to be $7.397 billion as of March 31, 2011.[189] Table 20 summarizes EI expenditures and revenues, as credited to the EI Operating Account and consistent with the financial statements in the Public Accounts of Canada.

5. Financing of the Economic Action Plan Temporary EI Measures

In Budget 2009, the federal government introduced temporary measures under Canada's Economic Action Plan to enhance the EI program during the recession. These measures included the extension of EI regular benefits by five weeks, the Career Transition Assistance (CTA) initiative, changes to the Work-Sharing program and additional funding for Employment Benefits and Support Measures. The estimated cost for these enhancements was $2.9 billion.

The Public Accounts of Canada[190] indicate that during 2010/11, a total of $1.428 billion was spent under these temporary EI measures. This total includes approximately $796 million for the extension of EI regular benefits by five weeks; $82.9 million to implement the CTA initiative; $49.0 million to enhance the Work-Sharing program; and an additional $500 million for Labour Market Development Agreements (see Table 20 for details). The $1.428 billion paid in temporary EI measures in 2010/11 is in addition to the $1.522 billion paid in 2009/10.

To ensure the additional expenditures resulting from these temporary measures do not have any impact on EI premium payers, the CEIFB is not permitted to recover EI expenditures attributable to the Budget 2009 enhancements. To that end, the federal government has credited a total of $2.9 billion to the EI Operating Account, which represents the estimated cost of the temporary EI enhancements announced in Budget 2009. The temporary EI measures introduced after Budget 2009, such as the Extension of EI Benefits for Long-Tenured Workers measure and the additional changes to the Work-Sharing program, were financed through EI premiums.

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[188] Additional funding from the Government of Canada corresponds to the total amount paid in 2010/11 in temporary EI measures included in Budget 2009. For further details, see the Financing the Economic Action Plan Temporary Measures section of this chapter.

[189] Public Works and Government Services Canada, *Public Accounts of Canada 2011* (Ottawa: Receiver General for Canada, November 2011), **http://www.tpsgc-pwgsc.gc.ca/recgen/pdf/49-eng.pdf**.

[190] Public Works and Government Services Canada, *Public Accounts of Canada 2011* (Ottawa: Receiver General for Canada, November 2011), **http://www.tpsgc-pwgsc.gc.ca/recgen/pdf/49-eng.pdf**.

TABLE 20

Employment Insurance Operating Account ($ Million)

	2009/10	2010/11
Revenues and Funding		
Premiums[191]	17,120.8	17,861.6
Interest[192]	12.9	11.1
Penalties	41.7	45.9
Funding for EAP Measures		
Extra five weeks	795.8	796.1
Additional training funds	500.0	500.0
Work-Sharing	211.2	49.0
Career Transition Assistance Initiative	15.0	82.9
Total EAP Measures Funding	1,522.0	1,427.9
Total Revenues and Funding	**18,697.4**	**19,346.6**
Expenditures[193]		
Part I: Income Benefits		
Regular	14,529.2	12,958.9
Fishing	258.1	254.5
Work-Sharing	300.5	107.9
Special	4,105.9	4,143.6
Total, Part I	19,193.6	17,465.0
Part II: Employment Benefits and Support Measures		
Employment Benefits[194]	85.1	-1.4
Support Measures	188.0	158.0
Labour Market Development Agreements	2,332.8	2,448.8
Total, Part II	2,605.8	2,605.4
Benefit Repayment[195]	-213.8	-220.1
Administration Costs	2,031.4	1,916.1
Other[196]	94.0	-
Bad Debt	50.0	41.9
Total Expenditures	**23,761.0**	**21,808.3**
Annual Balance	**-5,063.5**	**-2,461.7**
Accumulated Balance at the Beginning of the Year	**127.8**	**-4,935.7**
Accumulated Balance at the End of the Year	**-4,935.7**	**-7,397.4**

Source: Government of Canada, Public Accounts of Canada 2011, *Volume I: Summary Report and Financial Statements* (Ottawa: Receiver General for Canada, November 2011).[197]

[191] The EI premiums reported in the summary financial statements of the Government of Canada and the federal budget exclude the premium contributions made by the Government of Canada as an employer.

[192] This interest includes all interest accrued on the balance with the Receiver General for Canada and on overdue accounts receivable.

[193] Expenditures reported in chapters 3 and 6 of this report are based on administrative data and may differ from the ones reported in the financial statements included in the Public Accounts of Canada due to methodological differences.

[194] Starting in 2010/11, employment benefits under EI Part II are delivered exclusively by the provinces and territories through the Labour Market Development Agreements. As such, there are no new expenditures for these benefits. The negative expenditure of $1.4 million in 2010/11 represents employment benefit refunds and overpayments for expenditures from the previous year.

[195] These repayments are received or receivable from higher income claimants.

[196] This expenditure represents interest earned in the Employment Insurance Operating Account, from January 1 to March 31, 2009, which has been reversed and transferred back to the Department of Finance.

[197] Numbers reported in this table may differ from those in the source due to rounding.

ANNEX 1

RECENT LEGISLATIVE AND TEMPORARY CHANGES TO EMPLOYMENT INSURANCE

Annex 1.1: Recent Legislative Changes to Employment Insurance (EI) 184
Annex 1.2: Recent Temporary Changes to Employment Insurance (EI) 190

Annex 1.1: Recent Legislative Changes to Employment Insurance (EI)

Elements of EI Reform: Bill C-12 (1996 and 1997)

Element	Rationale
Reduction in Maximum Insurable Earnings (MIE)	
• The MIE was reduced to $39,000 per year ($750 per week) in July 1996 and frozen at this level until 2000. This reduced the maximum weekly benefit to $413 (55% of $750), from $448 in 1995 and $465 for the first six months of 1996.	• Based the MIE on a formula that took into account average wage increases over the eight years before the reduction. Because the high inflation and wage increases of the 1980s continued to be considered in setting the MIE, it had escalated faster than wages, making EI benefits competitive with wages in some parts of the country and in some industries.
Reduced Maximum Benefit Duration	
• Effective July 1996, the maximum length of a claim was reduced from 50 to 45 weeks.	• Reflects the fact that most claimants find work within the first 40 weeks of receiving benefits. • Only affects workers in high unemployment regions who work for long spells prior to unemployment.
New Entrants and Re-Entrants	
• Effective July 1996, new entrants and re-entrants to the labour force needed 26 rather than 20 weeks of work to qualify for EI. In January 1997, the 26 weeks were converted to 910 hours. • This rule applies only to those who have had minimal or no labour market attachment over the past two years. Workers who have at least 490 hours of work in the first year of employment need only 420 to 700 hours the next year. Time on EI, workers' compensation, disability benefits and sick leave counts as time worked.	• Discourages a cycle of reliance by ensuring that workers, especially young people, develop a significant attachment to the labour force before collecting EI benefits. • Returns insurance principles to the system. Workers must make a reasonable contribution to the system before collecting benefits. • Strengthens the relationship between work effort and entitlement to benefits.
Benefit Calculation	
• Weekly benefits are calculated as follows. Total earnings over the 26-week period preceding the establishment of the claim are divided by the number of weeks of work in this period or the minimum divisor of 14 to 22 (depending on the regional rate of unemployment), whichever is higher. The result is multiplied by 55% to determine the weekly benefit.	• Creates a strong incentive to work more than the minimum amount of time to qualify for benefits (at least two more weeks than the old entrance requirement). • Provides an incentive to work in the "shoulder" season. • Ensures a better relationship between flow of benefits and normal earnings.
Hours-Based System	
• Effective January 1997, EI eligibility is based on hours rather than weeks worked. • For regular benefits, claimants need 420 to 700 hours instead of 12 to 20 insured weeks. • For special benefits, claimants need 700 hours instead of 20 insured weeks.	• Is a better measure of time worked. • Removes inequities and anomalies of the weeks system by doing the following: – recognizing the intense work patterns of some employees; – correcting the anomaly that existed under Unemployment Insurance (UI), when 15 hours or 50 hours both counted as one week; and – eliminating the 14-hour job trap–under UI, those working fewer than 15 hours (either all the time or some of the time) with a single employer were not insured or not fully insured. • Is fairer and more equitable (i.e., all hours count).

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Element	Rationale
Family Supplement • Claimants with children and annual net family incomes of up to $25,921 receive a top-up of their basic insurance benefits. • The Family Supplement increased the maximum benefit rate to 65% in 1997, to 70% in 1998, to 75% in 1999 and to 80% in 2000.	• Better targets assistance to those most in need: – the 60% rate under UI was very poorly targeted—about 45% of low-income families did not qualify; and – about 30% of those who did receive the 60% rate had family incomes over $45,000.
Allowable Earnings While on Claim • Effective January 1997, claimants can earn $50 or 25% of their weekly benefit, whichever is higher.	• Helps low-income claimants. • Encourages claimants to maintain work attachment and increase their earnings from work.
Benefit Repayment (Clawback) • Benefits were repaid at the rate of $0.30 for every $1 of net income above the threshold. • For those who had collected 20 or fewer weeks of benefits in the last five years, the threshold was $48,750 of net income (the former level was $63,570). The maximum repayment remained at 30% of benefits received. • For those with more than 20 weeks of benefits in the last five years, the threshold was $39,000 of net income. The maximum repayment varied from 50% to 100% of benefits received.	• Was fairer and more accurately reflected insurance principles. • Discouraged repeat use of EI by those with high levels of annual income. • The Benefit Repayment provision was revised in Bill C-2 (2001).
Intensity Rule • The intensity rule reduced the benefit rate by one percentage point for every 20 weeks of regular or fishing benefits collected in the past five years. • The maximum reduction was five percentage points.	• Introduced an element of experience rating to the program, since heavy users of the system bore more of the costs. • Discouraged use of EI as a regular income supplement rather than insurance for times of unpredictable job loss, while not excessively penalizing those who made long or frequent claims. • Created a better balance between contributions made and benefits received. • The Intensity Rule was repealed in Bill C-2 (2001).
First-Dollar Coverage • Effective January 1997, all earnings from the first dollar are insurable up to the annual MIE. There are no weekly minimums or maximums for determining earnings.	• Creates a more equitable and balanced system—all work is insurable. • Substantially decreases paper burden for employers.
Premium Refunds • Beginning in 1997, workers earning $2,000 or less per year have their premiums refunded.	• Helps workers who must pay premiums but will not have enough hours to qualify for benefits.
Increased Sanctions for Fraud • Effective July 1996, penalties for fraud by employers and claimants were increased. • Effective January 1997, claimants who commit fraud after June 1996 face higher entrance requirements.	• Protects the integrity of the EI program.

Enhanced Parental Benefits: Bill C-32 (2000)

Element	Rationale
Parental Benefits • Effective December 31, 2000, the duration of parental benefits was increased from 10 to 35 weeks.	• Helps parents spending time with their child during the critical first year of his or her life. • Helps working parents to better balance their work and family responsibilities.
Entrance Requirement • Effective December 31, 2000, the number of hours of insurable employment required to qualify for maternity, parental or sickness benefits was reduced from 700 to 600 hours.	• Improves access to special benefits.
Waiting Period • Effective December 31, 2000, a second parent sharing parental leave is no longer required to serve a second two-week waiting period.	• Improves flexibility by allowing parents who share benefits to serve only one waiting period.
Allowable Earnings While on Claim • Effective December 31, 2000, claimants can earn $50 or 25% of their weekly parental benefit, whichever is higher.	• Helps low-income claimants. • Improves flexibility by allowing parents to work while receiving parental benefits.

A More Responsive EI Program: Bill C-2 (2001)

Element	Rationale
Intensity Rule • Eliminated October 1, 2000, the Intensity Rule had reduced the benefit rate by one percentage point for every 20 weeks of EI regular benefits used in the past. The maximum reduction was five percentage points.	• Eliminates an ineffective rule that had the unintended effect of being punitive.
Benefit Repayment (Clawback) • The following rules now apply, effective retroactively to the 2000 taxation year. – First-time claimants of regular or fishing benefits are now exempt from the benefit repayment. – Claimants of special benefits (maternity, parental and sickness benefits) are no longer required to repay any of those benefits. – The benefit repayment threshold for regular and fishing benefits is at one level: $48,750 of net income, with a repayment rate of 30%. The maximum repayment is the lesser of 30% of excess net income above the threshold of $48,750, or 30% of the claimant's benefits.	• Corrects a discrepancy. Analysis indicated that the benefit repayment provision was having a disproportionate impact on middle-income claimants. • Focuses on repeat claimants with high incomes and simplifies the provision.
Re-Entrant Parents • Effective retroactive to October 1, 2000, the rules governing re-entrant parents were adjusted so that these claimants now require the same number of hours as other workers to qualify for regular benefits.	• Ensures that parents returning to the workforce following an extended absence to raise young children are not penalized.
Maximum Insurable Earnings (MIE) • The MIE will remain at $39,000 until the average earnings exceed this level, at which time the MIE will be based on average earnings.	• Corrects a discrepancy. The MIE was higher than the average industrial wage.

Access to Special Benefits: Bill C-49 (2002)

Element	Rationale
Period to Claim Parental Benefits • Effective April 21, 2002, parents of a newborn or newly adopted child who is hospitalized for an extended period now have a window of up to two years, instead of one year, to claim parental benefits.	• Provides flexibility for parents who choose to wait until their child comes home before collecting parental benefits.
Period to Claim Special Benefits • Effective March 3, 2002, the maximum number of combined weeks of special benefits was increased from 50 to 65 weeks.	• Ensures full access to special benefits for biological mothers who claim sickness benefits prior to and following maternity or parental benefits.

Compassionate Care Benefits: Bill C-28 (2003)

Element	Rationale
Compassionate Care Benefits • Effective January 4, 2004, compassionate care benefits are available to help eligible family members to provide or arrange care, within a 26-week period, for a gravely ill family member who faces a significant risk of death. The duration of the benefits is up to six weeks within the 26-week window. • Flexibility is a key feature of the new benefits. Claimants can choose how and when to claim benefits within the 26-week window. Eligible family members can decide to have one person claim all six weeks or decide to share the benefit. Eligible family members can claim weeks of compassionate care benefits concurrently or consecutively.	• Provides support to workers during temporary absences from work due to the need to provide care or support to a gravely ill family member who faces a significant risk of death within a 26-week period.

Annual Premium Rate-Setting by the Canada Employment Insurance Commission: Bill C-43 (2005)

Element	Rationale
• Effective January 1, 2006, the legislation allows the Canada Employment Insurance Commission to set the premium rate under a new rate-setting mechanism. • In setting the rate, the Commission will take into account the principle that the premium rate should generate just enough premium revenue to cover payments to be made for that year. It will also consider the report from the EI chief actuary and any public input.	• Allows for a new rate-setting process where the EI premium rate is determined independently by the Canada Employment Insurance Commission.

Canada Employment Insurance Financing Board (CEIFB): Bill C-50 (2008)

Element	Rationale
• The Act creating the CEIFB became effective on June 18, 2008. • The CEIFB will do the following: – set EI premium rates under a modified premium rate setting process; and – manage a separate account where excess premiums will be held and invested.	• Ensures that EI revenues are sufficient to cover EI costs in the coming year. • Uses current premium surpluses to reduce future premium rates.

Fairness for the Self-Employed: Bill C-56 (2009)

Element	Rationale
Special Benefits for Self-Employed Persons • Effective January 31, 2010, EI maternity, parental, sickness and compassionate care benefits are extended to self employed persons. Self employed persons can opt into the EI program. Benefits could be paid as early as January 1, 2011. • These benefits for self employed persons mirror those available to salaried employees under the current EI program. – Maternity benefits (15 weeks maximum) are available to birth mothers only and cover the period surrounding birth. A claim can start up to eight weeks before the expected birth date. – Parental benefits (35 weeks maximum) are available to biological or adoptive parents while they are caring for a newborn or a child placed with a person for the purpose of adoption. Either parent may take these benefits or the parents may share them. If parents share these benefits, they must serve only one waiting period. – Sickness benefits (15 weeks maximum) may be paid to a person who is unable to work because of sickness, injury or quarantine. – Compassionate care benefits (six weeks maximum) may be paid to persons who must be away from work temporarily to provide care or support to a family member who is gravely ill with a significant risk of death.	• Provides income protection to self employed Canadians on a voluntary basis for life transition events such as the birth of a child, adoption, illness or the grave illness of a family member.

Employment Insurance Operating Account: Bill C-9 (2010)

Element	Rationale
Employment Insurance Operating Account - The Employment Insurance Operating Account is established in the accounts of Canada to record all EI related credits and charges since January 1, 2009, the date from which the CEIFB is to ensure that EI revenues and expenditures break even. - This change repeals the provision under which advances from the Consolidated Revenue Fund to the EI Account were made and the provision under which interest could be paid on the balance of the EI Account. - The CEIFB's obligation to set EI premium rates under section 66 of the *Employment Insurance Act* is clarified to ensure that EI revenues and expenditures recorded in the EI Operating Account balance over time, beginning January 1, 2009.	- In line with steps taken in 2008 to establish the CEIFB, further strengthens the transparency and effectiveness of the financing of the EI program.

Fairness for Military Families: Bill C-13 (2010)

Element	Rationale
Improved Access to EI Parental Benefits for Military Families - The EI parental benefits eligibility window is extended to support Canadian Forces (CF) members, including reservists, who are ordered to return to duty while on parental leave or whose parental leave is deferred as a result of an imperative military requirement. - This gives these CF members a window of up to 104 weeks following their child's birth or adoption in which to access part or all of their 35 weeks of EI parental benefit entitlement. - This measure applies to all eligible CF members who had a newborn or adopted a child less than 104 weeks before this Act came into force.	- Recognizes the important contributions of CF members, including reservists. - Recognizes the importance of parent child bonding in establishing a foundation for subsequent growth and development.

Annex 1.2: Recent Temporary Changes to Employment Insurance (EI)

EI Pilot Projects

Element	Rationale
Extended EI Benefits	
• EI Pilot Project No. 6, Pilot Project Relating to Increased Weeks of Benefits, was introduced for a two year period in 2004 in 24 EI regions of high unemployment (10% or higher).	• Tested the costs and impact of extending the number of weeks of benefits in EI economic regions of relatively high unemployment.
• The pilot was re-introduced as a new pilot project, Pilot Project No. 10, for a period of 18 months in 2006 in 21 EI economic regions and was further extended until May 31, 2009.	
• Pilot Project No. 10 ended in February 2009 and was replaced by the Extra Five Weeks Economic Action Plan measure, which lasted until September 11, 2010.	• Provided time-limited, broad-based support for all workers during the recent recession.
• On October 12, 2010, the Government of Canada re-introduced the Extended EI Benefits pilot project (as Pilot Project No. 15) for two years, until September 15, 2012, or earlier if there is a sustained economic recovery. The pilot is based on the same parameters and includes the same 21 EI economic regions as Pilot Project No. 10.	• Tests the effectiveness of providing additional EI regular benefits in reducing the number of individuals experiencing an income gap between EI and returning to work. • Allows for further collection of data and testing to more fully capture the impact of Pilot Project No. 10 during a period of economic recovery.
– Pilot Project No. 15 increases the maximum number of weeks for which benefits may be paid by 5, to a maximum of 45 weeks.	
– This pilot project applies to claimants whose benefit period began on or after September 12, 2010, and ends on one of the following dates, whichever comes first:	
– September 15, 2012; or	
– the second Saturday after the first day of the 12th consecutive period (beginning after October 9, 2010) when the regional unemployment rate was less than 8% in the region in which the benefit period was established.	
• Pilot Project No. 15 will conclude earlier in regions where the unemployment rate is less than 8% for 12 consecutive months. This was the case for the EI economic region of St. John's and, as a result, the Extended EI Benefits pilot project ended in this region on September 24, 2011.	
Best 14 Weeks	
• Pilot Project No. 7 (Best 14 Weeks) was introduced in 2005 in 23 EI regions of relatively high unemployment (10% or higher). It was re-introduced in 2008 for two years as Pilot Project No.11 in 25 EI economic regions with an unemployment rate of 8% or higher.	• Tested whether basing claimants' benefit rate on their 14 weeks of highest earnings in the 52 weeks before they claimed EI encouraged claimants to accept all available work.
• Under this pilot project, EI benefits are based on claimants' 14 weeks of highest earnings in the 52 weeks before the claim or since the beginning of the last claim.	
• Pilot Project No. 11 was extended on October 12, 2010, until June 25, 2011.	• Provided additional data to assess the effectiveness of the pilot during a period of economic recovery and a full economic cycle.
• Budget 2011 announced a one-year renewal of the Best 14 Weeks pilot project, available in the same 25 EI economic regions, until June 23, 2012.	

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Element	Rationale
Working While on Claim (WWC)	
• Pilot Project No. 8 (WWC Pilot Project) was introduced in 2005 in 23 EI regions of relatively high unemployment (10% or higher). It was re-introduced nationally in 2008 as Pilot Project No. 12.	• Tested whether allowing claimants to earn more income while receiving EI benefits gave them incentives to accept all available work.
• These pilot projects increase the amount that claimants are allowed to earn while on claim to $75 per week or 40% of weekly benefits, whichever is higher. Any income above that amount is deducted in full from benefits. These pilots apply to regular, parental, compassionate care and fishing benefits but exclude maternity or sickness benefits.	
• Pilot Project No. 12 was extended on October 12, 2010, until August 6, 2011.	• Provided additional data to assess the effectiveness of the pilot during a period of economic recovery and a full economic cycle.
• Budget 2011 announced a one-year renewal of the WWC Pilot Project, available nationally, until August 4, 2012.	
New Entrants and Re-Entrants (NEREs)	
• The NERE pilot project (Pilot Project No. 9) was introduced in 2005 in 23 EI regions of relatively high unemployment (10% or greater). It was renewed in 2008 as Pilot Project No. 13 in 25 EI regions with an unemployment rate of 8% or higher.	• Tested whether providing NEREs with less stringent EI eligibility requirements and informing them of EI employment programs improved their employability and helped reduce their future reliance on EI benefits, in part, by improving their access to EI Part II measures.
• The pilot project reduced the number of hours NEREs needed to be eligible for EI benefits from 910 to 840.	
• Pilot Project No. 13 was allowed to sunset as scheduled on December 4, 2010.	

Economic Action Plan Temporary EI Measures

Additional Support for the Unemployed: *Budget Implementation Act*: Bill C-10 (2009)

Element	Rationale
Five-Week Extension of EI Regular Benefits	
• This temporary legislative change became effective on March 31, 2009.	• Provides all EI regular benefit claimants with additional financial support while they search for new employment.
• It affected all claims active or starting between March 1, 2009, and September 11, 2010. Eligible claimants were automatically eligible for five additional weeks of regular benefits.	
Career Transition Assistance Initiative	
• This temporary initiative provided support to long-tenured workers and consisted of two measures.	• Improved claimants' incentive to renew or upgrade their skills.
– The Extended Employment Insurance and Training Incentive (EEITI) extended EI regular benefits to a maximum of 104 weeks for EEITI participants, including up to 12 weeks of EI regular benefits for job search.	• Encouraged claimants to invest in their own training.
– The Severance Investment for Training Initiative removed restrictions on EI regular benefits for all eligible claimants who invested part or all of their separation monies in eligible training.	• Encouraged claimants to undertake long-term training to improve their re-employability.
• For the purposes of the Career Transition Assistance Initiative, long-tenured workers' claims must have started on or after January 25, 2009, and no later than May 29, 2010.	

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Element	Rationale
Changes to the Work-Sharing Program - This temporary legislative change increased the maximum agreement duration by 14 weeks, to a maximum of 52 weeks, for applications received between February 1, 2009, and April 3, 2010. - It also improved access to Work-Sharing agreements by making the qualifying criteria more flexible and streamlining processes for employers.	- Gave businesses and workers additional support to avoid potential layoffs.
Premium Rate Freeze - This measure froze EI premium rates for employees at $1.73 per $100 for 2010, the same rate as in 2009 and 2008.	- Maintained premium rate stability during the recession despite higher EI costs.

Increased Benefits for Long-Tenured Workers: Bill C-50 (2009)

Element	Rationale
Temporary Additional EI Benefits for Unemployed Long-Tenured Workers - Long-tenured workers are individuals who have worked and paid EI premiums for a significant period and have previously made limited use of EI regular benefits. - The legislation provided up to 20 weeks of additional benefits, depending on how long an eligible individual had been working and paying into EI. - The legislation applied to claimants who met the long-tenured worker definition and who made their claim between January 4, 2009, and September 11, 2010.	- Benefited workers who faced unemployment with low prospects of finding work and who had previously made limited use of EI benefits. - Helped workers who, in many cases, had skills that were not easily transferable. For such workers, finding a new job in their industry or an alternative one may have been particularly difficult in the economic environment of that time period.

Additional Changes to the Work-Sharing Program: Bill C-9 (2010)

Element	Rationale
Changes to the Work-Sharing Program - This temporary legislative change allowed active and recently terminated agreements to be extended for an additional 26 weeks, up to a maximum 78 weeks. - It also maintained previous changes that improved the flexibility of qualifying criteria for new agreements and streamlined the process for employers. - These enhancements were in place until April 2, 2011.	- Gave businesses and workers additional support to avoid potential layoffs.

Budget Implementation Act: Bill C-3 and C-13 (2011)

Element	Rationale
Changes to the Work-Sharing Program • This temporary legislative change allowed for an extension of up to 16 weeks, to a maximum of 42 weeks, for active and recently terminated agreements. • This extension was retroactive to March 20, 2011, and ended on October 29, 2011. • It also introduces adjustments to make the program more flexible and efficient for employers: a simplified recovery plan, more flexible utilization rules and technical amendments to reduce administrative burden. • These adjustments became effective on April 4, 2011.	• Gives businesses and workers additional support to avoid potential layoffs.
Temporary Hiring Credit for Small Businesses • A small business can receive a temporary hiring credit of up to $1,000 against an increase in the firm's 2011 EI premiums over those paid in 2010. • This temporary credit will be available to approximately 525,000 employers whose total EI premiums were at or below $10,000 in 2010 and will reduce their 2011 payroll costs by about $165 million.	• Encourages additional hiring in small businesses, and enables them to take advantage of emerging opportunities and compete in the global economy.

ANNEX 2

KEY LABOUR MARKET STATISTICS

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Annex 2.1: Unemployment Rate, by EI Region (%)[1]

	Mar 2011	Dec 2010	Sep 2010	Jun 2010	Mar 2010	Dec 2009	Sep 2009	Jun 2009
Newfoundland and Labrador								
St. John's	6.8	7.1	7.9	7.4	8.1	9.1	8.2	7.5
Newfoundland and Labrador	17.8	17.9	19.8	20.6	20.4	20.5	21.1	20.7
Prince Edward Island								
Prince Edward Island	11.7	13.1	11.9	10.3	10.2	11.8	12.5	12.5
Nova Scotia								
Eastern Nova Scotia	16.5	15.8	15.7	14.8	15.6	15.4	16.1	16.6
Western Nova Scotia	11.1	10.8	10.9	10.7	11.4	10.3	10.0	10.6
Halifax	6.8	6.6	6.0	5.7	6.5	6.9	6.4	5.9
New Brunswick								
Fredericton-Moncton-Saint John	7.1	7.4	7.3	6.7	7.3	6.2	6.4	6.6
Madawaska-Charlotte[2]	10.8	12.0	11.2	10.4	11.0	11.2	11.8	11.5
Restigouche-Albert	14.9	15.5	13.9	13.0	12.9	12.7	15.1	14.3
Quebec								
Gaspésie-Îles-de-la-Madeleine	14.8	14.4	18.0	16.7	15.6	15.2	16.5	17.0
Québec	5.3	4.5	5.4	5.8	4.1	5.4	5.2	4.5
Trois-Rivières	8.3	8.7	9.3	9.1	9.9	9.5	8.6	8.1
South Central Quebec	4.6	4.8	5.4	6.0	5.9	6.2	6.8	7.1
Sherbrooke	7.4	7.6	7.9	8.6	7.4	5.7	7.7	8.8
Montérégie	7.7	7.3	7.2	7.2	6.5	7.3	8.3	9.1
Montréal	8.2	8.7	8.5	9.0	9.3	9.2	9.7	9.5
Central Quebec	7.8	8.7	8.4	8.0	8.8	8.5	10.0	9.4
North Western Quebec	9.7	10.9	11.8	9.6	10.7	12.0	11.0	12.2
Bas-Saint-Laurent-Côte-Nord[2]	11.3	10.5	11.9	10.6	11.2	11.5	11.8	11.8
Hull	6.5	6.7	6.7	6.1	6.2	5.8	5.9	5.4
Chicoutimi-Jonquière	8.2	7.8	8.2	7.6	7.8	7.7	9.3	9.4
Ontario								
Ottawa	6.6	6.7	6.7	5.8	6.3	5.4	5.3	6.2
Eastern Ontario	7.9	8.8	8.3	9.6	9.4	8.2	7.6	8.4
Kingston	6.3	6.4	5.7	5.6	5.9	6.8	5.9	6.2
Central Ontario	9.9	9.0	9.3	8.9	9.8	9.9	9.7	10.5
Oshawa	8.9	9.7	10.5	9.8	10.3	9.3	9.9	7.9
Toronto	8.3	8.8	9.1	9.4	9.4	9.5	10.1	9.1
Hamilton	6.7	6.7	7.9	8.0	8.7	8.0	8.7	7.4
St. Catharines	9.7	9.4	9.2	8.8	11.3	10.4	9.8	10.6
London	8.3	8.8	8.4	8.5	8.7	9.9	11.1	10.2
Niagara	10.2	10.6	9.7	11.3	11.4	11.2	12.4	11.2
Windsor	9.7	11.2	11.9	12.5	12.2	13.1	14.5	13.7

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Annex 2.1: Unemployment Rate, by EI Region (%)[1] *(Continued)*

	Mar 2011	Dec 2010	Sep 2010	Jun 2010	Mar 2010	Dec 2009	Sep 2009	Jun 2009
Kitchener	6.7	7.8	6.8	8.0	10.1	9.1	9.9	10.0
Huron	10.1	10.7	9.0	9.2	10.5	10.3	10.5	10.1
South Central Ontario	7.0	7.4	8.2	7.7	8.0	8.0	8.4	8.3
Sudbury	7.4	9.2	9.7	9.1	11.1	9.7	10.2	8.3
Thunder Bay	6.8	6.8	6.9	5.3	7.2	8.3	8.6	8.9
Northern Ontario	11.7	11.4	12.8	12.7	11.9	12.9	12.2	13.6
Manitoba								
Winnipeg	5.6	5.3	5.9	5.9	5.7	5.3	5.7	4.9
Southern Manitoba	5.5	5.7	5.7	5.5	6.2	6.4	5.9	5.8
Northern Manitoba	26.4	29.7	30.0	28.5	28.9	28.7	27.6	26.5
Saskatchewan								
Regina	4.9	4.8	4.9	4.6	4.6	5.0	4.3	3.8
Saskatoon	5.7	5.7	5.6	5.3	4.5	4.8	4.6	5.0
Southern Saskatchewan	7.0	7.2	6.8	6.6	6.5	7.0	7.1	7.3
Northern Saskatchewan	18.9	18.0	17.3	17.5	16.5	16.3	16.3	16.5
Alberta								
Calgary	6.1	6.3	6.8	7.7	7.0	7.1	7.2	6.7
Edmonton	6.2	5.8	7.0	7.8	7.2	7.8	7.4	6.2
Northern Alberta	8.8	9.8	9.6	9.5	9.7	10.2	9.8	10.4
Southern Alberta	6.7	7.0	7.1	7.8	7.6	8.2	7.9	7.2
British Columbia								
Southern Interior B.C.	9.3	11.1	9.6	9.5	10.0	9.3	10.9	10.8
Abbotsford	10.3	9.1	8.0	7.9	6.9	7.9	9.0	7.4
Vancouver	8.2	7.3	7.5	7.6	7.9	7.6	7.4	7.0
Victoria	6.9	6.4	6.4	6.8	8.2	7.9	6.5	7.0
Southern Coastal B.C.	9.6	7.4	9.1	7.9	8.3	9.2	8.9	8.1
Northern B.C.	12.2	10.9	11.4	10.6	13.1	14.1	14.0	13.7
Territories[3]								
Yukon	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Northwest Territories	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Nunavut	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
NATIONAL	**8.2**	**8.4**	**8.5**	**8.6**	**8.8**	**8.9**	**9.1**	**8.8**

Source: HRSDC, EI administrative data; Statistics Canada, Labour Force Survey.

[1] Unemployment rates used by the Employment Insurance Program are a three-month moving average of seasonally adjusted rates for the ending month.

[2] Unemployment rates for these regions have been determined using a transition formula prescribed in the *Employment Insurance Regulations*.

[3] Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 2.2: Employment, by Province, Gender and Age

	% Change	Annual Employment, by Fiscal Year (000s)[1]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
NATIONAL	**1.7**	**17,121.3**	**16,827.6**	**17,038.2**	**16,896.3**	**16,513.3**	**16,187.5**	**15,971.1**	**15,722.8**	**15,426.1**	**14,984.9**	**14,819.4**
Province												
Newfoundland and Labrador	4.3	222.3	213.2	216.8	217.9	215.9	212.5	213.6	212.7	208.7	205.8	199.3
Prince Edward Island	1.4	70.5	69.5	69.1	68.9	68.5	67.9	67.0	66.2	64.9	63.8	63.0
Nova Scotia	0.5	453.2	451.0	452.5	448.5	443.3	441.5	442.0	433.2	425.1	417.3	411.5
New Brunswick	-1.3	354.7	359.4	359.0	358.7	350.5	348.8	348.7	342.8	344.4	333.3	332.4
Quebec	2.0	3,934.6	3,857.1	3,869.6	3,856.5	3,759.1	3,709.7	3,684.6	3,630.6	3,590.2	3,457.9	3,412.3
Ontario	2.1	6,646.1	6,507.8	6,635.8	6,595.8	6,478.5	6,390.0	6,317.4	6,236.5	6,088.8	5,935.3	5,851.5
Manitoba	2.1	622.7	610.0	609.2	600.9	590.8	582.4	580.4	572.7	569.4	556.5	553.5
Saskatchewan	0.9	524.8	520.3	515.6	505.5	498.4	482.1	485.2	477.6	473.8	459.4	470.5
Alberta	0.9	2,032.2	2,013.8	2,057.6	2,006.8	1,939.9	1,844.5	1,787.3	1,745.4	1,691.6	1,639.1	1,593.5
British Columbia	1.6	2,260.1	2,225.4	2,253.0	2,236.8	2,168.4	2,108.0	2,044.9	2,005.2	1,969.2	1,916.4	1,931.9
Gender												
Male	2.4	8,969.7	8,760.6	8,958.5	8,920.6	8,738.9	8,621.8	8,503.5	8,366.8	8,244.8	8,044.8	7,993.9
Female	1.0	8,151.5	8,067.0	8,079.7	7,975.7	7,774.5	7,565.8	7,467.6	7,356.0	7,181.3	6,940.2	6,825.4
Age												
Under 25	0.0	2,454.7	2,454.5	2,617.8	2,628.9	2,560.6	2,498.5	2,465.4	2,433.8	2,416.2	2,328.4	2,307.1
25 to 54	1.0	11,685.8	11,573.7	11,740.5	11,715.4	11,579.2	11,440.9	11,387.4	11,286.0	11,192.4	11,022.5	10,965.7
55 and Older	6.5	2,980.8	2,799.4	2,679.8	2,551.9	2,373.5	2,248.1	2,118.3	2,003.0	1,817.5	1,634.0	1,546.6

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Annex 2.2: Employment, by Province, Gender and Age *(Continued)*

	Quarterly Employment (000s)[2]											
	2011Q1	**2010Q4**	**2010Q3**	**2010Q2**	**2010Q1**	**2009Q4**	**2009Q3**	**2009Q2**	**2009Q1**	**2008Q4**	**2008Q3**	**2008Q2**
NATIONAL	**17,233.6**	**17,139.2**	**17,096.7**	**17,039.8**	**16,909.1**	**16,854.3**	**16,777.6**	**16,778.2**	**16,853.0**	**17,102.0**	**17,104.7**	**17,083.5**
Province												
Newfoundland and Labrador	227.7	222.3	221.3	218.9	215.5	213.6	212.1	210.8	212.0	215.7	216.4	220.7
Prince Edward Island	71.0	70.1	70.5	70.8	71.3	70.4	68.4	67.9	67.5	68.7	69.6	70.2
Nova Scotia	452.8	448.8	455.1	455.4	450.4	454.2	450.4	449.5	452.3	453.4	452.5	451.2
New Brunswick	353.3	353.4	355.6	357.5	358.8	360.5	360.2	359.1	359.2	360.6	359.1	357.0
Quebec	3,959.0	3,949.1	3,926.1	3,915.2	3,880.4	3,859.5	3,830.0	3,858.9	3,845.1	3,888.5	3,874.9	3,866.5
Ontario	6,696.6	6,647.2	6,633.5	6,611.6	6,549.9	6,528.7	6,495.9	6,461.5	6,528.4	6,654.0	6,679.5	6,677.2
Manitoba	625.6	623.1	622.4	619.9	613.8	607.9	610.3	607.9	607.1	611.2	608.6	609.8
Saskatchewan	524.8	523.8	524.7	526.1	523.0	520.5	517.8	520.3	519.8	519.5	513.9	509.4
Alberta	2,064.2	2,033.9	2,021.8	2,012.9	2,002.1	2,013.3	2,014.6	2,026.1	2,048.2	2,074.6	2,058.2	2,049.2
British Columbia	2,258.8	2,267.6	2,265.7	2,251.4	2,243.9	2,225.7	2,218.0	2,216.3	2,213.3	2,255.6	2,271.9	2,272.2
Gender												
Male	9,036.6	8,991.1	8,959.2	8,907.2	8,799.9	8,771.9	8,737.8	8,742.3	8,801.3	9,003.3	9,023.8	9,005.7
Female	8,197.1	8,148.1	8,137.5	8,132.5	8,109.2	8,082.4	8,039.8	8,035.9	8,051.6	8,098.7	8,080.9	8,077.7
Age												
Under 25	2,469.5	2,442.8	2,451.4	2,468.6	2,453.4	2,442.2	2,435.5	2,483.7	2,527.4	2,631.2	2,657.0	2,643.1
25 to 54	11,736.8	11,683.1	11,672.1	11,661.4	11,607.7	11,596.6	11,553.8	11,546.5	11,609.0	11,784.0	11,787.3	11,782.6
55 and Older	3,027.3	3,013.4	2,973.1	2,909.7	2,848.0	2,815.5	2,788.3	2,748.0	2,716.5	2,686.9	2,660.4	2,657.8

Source: Statistics Canada, Labour Force Survey.

[1] Fiscal year data calculated using annual averages of unadjusted data.

[2] Quarterly data calculated using quarterly averages of seasonally adjusted data.

Annex 2.3: Employment, by Industry

	% Change	Annual Employment, by Fiscal Year (000s)[1]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
ALL INDUSTRIES	**1.7**	**17,121.3**	**16,827.6**	**17,038.2**	**16,896.3**	**16,513.3**	**16,187.5**	**15,971.1**	**15,722.8**	**15,426.1**	**14,984.9**	**14,819.4**
Goods-Producing Sector	**1.9**	**3,770.6**	**3,701.8**	**3,962.3**	**3,978.9**	**3,982.6**	**3,999.2**	**4,003.7**	**3,932.3**	**3,915.2**	**3,767.2**	**3,807.6**
Agriculture	-3.5	302.8	313.9	318.8	334.8	343.5	350.5	328.8	329.5	333.1	315.3	357.5
Forestry, Fishing, Mining, Oil and Gas	5.0	331.7	315.9	342.4	340.6	339.8	317.4	292.1	280.8	271.7	277.7	273.9
Utilities	0.5	148.1	147.3	150.5	143.4	123.1	123.6	129.6	130.8	131.0	123.9	117.1
Construction	5.8	1,231.4	1,164.0	1,222.4	1,155.1	1,078.1	1,034.8	967.8	915.4	872.7	823.8	810.6
Manufacturing	-0.2	1,756.6	1,760.7	1,928.3	2,004.9	2,098.2	2,172.8	2,285.4	2,275.8	2,306.7	2,226.5	2,248.6
Services Sector	**1.7**	**13,350.7**	**13,125.8**	**13,075.9**	**12,917.4**	**12,530.7**	**12,188.3**	**11,967.4**	**11,790.6**	**11,510.8**	**11,217.7**	**11,011.7**
Trade	0.8	26,77.1	2,655.1	2,675.9	2,686.5	2,621.2	2,580.2	2,513.9	2,467.5	2,403.2	2,375.9	2,320.3
Transportation and Warehousing	1.7	817.4	803.6	845.5	828.7	799.0	798.5	799.0	799.6	769.0	767.0	774.8
Finance, Insurance, Real Estate and Leasing	-1.0	1,087.9	1,098.7	1,075.6	1,061.7	1,046.8	989.3	976.7	931.2	906.7	879.1	862.0
Professional, Scientific and Technical Services	6.6	12,82.1	1,203.1	1,188.3	1,150.0	1,088.0	1,057.8	1,014.3	1,001.4	987.2	981.5	957.5
Business, Building and Other Support Services	3.6	678.0	654.2	671.4	703.6	690.0	659.9	633.1	615.4	598.1	543.6	531.9
Educational Services	1.2	1,218.2	1,203.9	1,181.3	1,183.5	1,161.3	1,120.7	1,041.4	1,033.2	1,012.6	983.1	963.6
Health Care and Social Assistance	4.5	2,050.1	1,961.7	1,915.2	1,843.6	1,802.0	1,725.0	1,719.6	1,687.8	1,635.4	1,553.8	1,526.4
Information, Culture and Recreation	-0.3	769.5	772.1	753.2	776.0	748.9	732.6	733.3	723.5	710.7	711.7	682.9
Accommodation and Food Services	-0.5	1,052.0	1,057.2	1,087.3	1,069.0	1,031.4	998.0	1,007.2	994.4	992.8	959.1	940.3
Other Services	-3.7	752.8	782.0	755.8	728.7	707.4	694.2	702.6	709.5	699.3	668.9	675.7
Public Administration	3.4	965.6	934.3	926.4	886.3	834.5	832.2	826.3	827.0	795.9	794.2	776.3

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Annex 2.3: Employment, by Industry *(Continued)*

	Quarterly Employment (000s)[2]											
	2011Q1	2010Q4	2010Q3	2010Q2	2010Q1	2009Q4	2009Q3	2009Q2	2009Q1	2008Q4	2008Q3	2008Q2
ALL INDUSTRIES	**17,233.6**	**17,139.2**	**17,096.7**	**17,039.8**	**16,909.1**	**16,854.3**	**16,777.6**	**16,778.2**	**16,853.0**	**17,102.0**	**17,104.7**	**17,083.5**
Goods-Producing Sector	**3,822.5**	**3,775.5**	**3,757.9**	**3,735.2**	**3,698.8**	**3,705.9**	**3,676.6**	**3,721.8**	**3,790.7**	**3,984.5**	**4,029.8**	**4,030.4**
Agriculture	310.5	302.7	300.5	298.7	301.2	314.6	316.7	321.6	311.1	316.7	322.3	322.3
Forestry, Fishing, Mining, Oil and Gas	332.8	328.9	337.1	329.6	323.9	309.0	316.5	315.9	333.3	348.7	344.2	343.1
Utilities	146.3	147.6	149.4	149.2	147.2	149.4	146.6	146.0	148.2	149.2	151.3	152.5
Construction	1,245.0	1,238.9	1,225.8	1,221.0	1,187.0	1,174.9	1,149.2	1,146.2	1,172.6	1,234.7	1,248.1	1,234.2
Manufacturing	1,787.9	1,757.4	1,745.2	1,736.6	1,739.5	1,757.9	1,747.7	1,792.1	1,825.8	1,935.1	1,964.0	1,978.3
Services Sector	**13,411.1**	**13,363.7**	**13,338.7**	**13,304.5**	**13,210.3**	**13,148.4**	**13,101.0**	**13,056.4**	**13,062.3**	**13,117.6**	**13,074.9**	**13,053.1**
Trade	2,668.6	2,671.9	2,678.5	2,697.4	2,671.7	2,650.1	2,659.5	2,644.0	2,659.2	2,676.3	2,678.3	2,692.4
Transportation and Warehousing	832.8	835.9	809.1	795.1	784.7	804.7	801.5	821.9	834.6	848.3	852.4	843.2
Finance, Insurance, Real Estate and Leasing	1,081.0	1,086.7	1,078.7	1,106.7	1,112.5	1,118.2	1,099.7	1,066.6	1,086.8	1,073.2	1,072.3	1,074.2
Professional, Scientific and Technical Services	1,289.3	1,276.6	1,294.7	1,270.3	1,227.8	1,209.2	1,198.7	1,178.7	1,183.2	1,196.5	1,185.9	1,186.6
Business, Building and Other Support Services	680.2	681.5	676.8	669.6	657.1	639.9	656.0	666.2	659.3	669.0	662.5	697.3
Educational Services	1,223.8	1,210.2	1,214.0	1,221.4	1,222.6	1,217.2	1,193.2	1,179.3	1,165.2	1,183.2	1,188.9	1,185.8
Health Care and Social Assistance	2,075.4	2,057.6	2,046.8	2,023.2	1,997.4	1,970.1	1,938.5	1,942.6	1,947.4	1,927.5	1,905.4	1,880.0
Information, Culture and Recreation	779.8	776.7	762.4	762.9	764.5	775.2	782.3	769.7	752.6	752.5	753.5	757.9
Accommodation and Food Services	1,053.1	1,047.8	1,051.8	1,056.3	1,079.4	1,050.5	1,038.9	1,061.2	1,076.9	1,090.7	1,107.2	1,074.7
Other Services	750.9	747.1	758.1	753.3	753.5	780.2	794.5	799.5	773.8	763.9	747.9	737.6
Public Administration	976.2	971.7	967.8	948.4	939.1	932.9	938.2	926.7	923.4	936.4	920.6	923.4

Source: Statistics Canada, Labour Force Survey.

[1] Fiscal year data calculated using annual averages of unadjusted data.

[2] Quarterly data calculated using quarterly averages of seasonally adjusted data.

Annex 2.4: Unemployment, by Province, Gender and Age

	% Change	Annual Unemployment, by Fiscal Year (000s)[1]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
NATIONAL	**-4.8**	**1,463.0**	**1,536.3**	**1,210.1**	**1,071.8**	**1,099.2**	**1,148.2**	**1,218.6**	**1,285.2**	**1,257.8**	**1,210.0**	**1,096.4**
Province												
Newfoundland and Labrador	-10.7	35.0	39.2	35.0	32.6	36.6	38.5	38.8	40.8	41.5	39.6	38.8
Prince Edward Island	1.1	9.1	9.0	8.8	7.8	8.2	8.5	8.3	8.2	8.5	9.0	8.5
Nova Scotia	1.8	46.5	45.7	39.6	38.3	37.6	39.2	42.7	43.5	43.9	45.4	41.6
New Brunswick	7.0	36.9	34.5	34.5	30.2	31.5	36.5	37.3	38.4	38.1	40.7	38.6
Quebec	-5.0	335.7	353.3	316.8	293.8	322.3	335.9	337.3	366.6	336.6	341.5	319.1
Ontario	-6.5	610.8	653.0	509.2	447.0	439.6	444.7	460.2	463.0	457.9	422.9	362.6
Manitoba	2.3	35.1	34.3	27.8	27.3	26.9	27.7	32.6	29.9	30.0	30.4	28.0
Saskatchewan	11.7	29.5	26.4	22.8	22.1	22.6	26.1	26.2	28.5	28.6	28.2	26.3
Alberta	-10.1	134.7	149.8	88.9	72.9	69.9	72.1	83.1	92.7	96.0	81.0	83.2
British Columbia	-0.8	189.6	191.2	126.8	99.7	103.9	119.0	152.1	173.6	176.5	171.1	149.5
Gender												
Male	-10.0	826.9	918.6	703.3	599.2	606.9	630.4	674.1	721.5	710.1	690.0	605.6
Female	3.0	636.1	617.7	506.8	472.6	492.2	517.7	544.5	563.7	547.7	519.9	490.7
Age												
Under 25	-6.7	418.2	448.2	367.6	329.4	334.0	347.3	372.3	392.8	375.1	355.0	333.0
25 to 54	-5.7	840.4	891.1	686.9	615.4	637.0	681.3	724.7	769.6	769.0	756.3	677.6
55 and Older	3.7	204.3	197.0	155.6	127.0	128.1	119.5	121.6	122.8	113.7	98.6	85.8

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Annex 2.4: Unemployment, by Province, Gender and Age *(Continued)*

	Quarterly Unemployment (000s)[2]											
	2011Q1	2010Q4	2010Q3	2010Q2	2010Q1	2009Q4	2009Q3	2009Q2	2009Q1	2008Q4	2008Q3	2008Q2
NATIONAL	**1,435.1**	**1,429.3**	**1,496.1**	**1,485.6**	**1,509.3**	**1,543.1**	**1,565**	**1,540.6**	**1,427.3**	**1,179.5**	**1,112.5**	**1,100.7**
Province												
Newfoundland and Labrador	32.1	34.6	36.2	37.7	38.4	39.7	40.5	39.2	37.8	34.4	33.7	33.6
Prince Edward Island	9.1	9.8	9.4	8.4	8.2	8.4	9.6	9.8	9.5	8.7	8.3	8.0
Nova Scotia	46.2	49.1	47.0	43.6	44.9	45.6	45.9	45.7	44.5	38.1	36.9	37.9
New Brunswick	37.2	38.3	37.7	34.8	35.3	33.7	34.0	34.4	35.8	34.3	32.8	33.9
Quebec	330.9	330.4	344.6	338.1	337.5	344.8	374.1	365.9	345.7	306.9	302.3	307.8
Ontario	585.3	596.8	634.6	623.9	646.6	654.6	658.4	653.7	614.8	503.6	460.9	453.2
Manitoba	34.8	33.5	36.2	35.7	35.0	36.6	34.7	31.9	32.2	27.5	26.2	25.5
Saskatchewan	29.7	30.6	29.3	29.3	25.8	27.0	26.1	26.2	24.7	21.2	22.5	21.5
Alberta	126.3	124.7	134.7	149.9	148.0	154.2	152.4	144.0	117.8	83.7	77.4	72.6
British Columbia	203.6	181.6	186.4	184.1	189.3	198.5	189.2	190.0	164.6	121.1	111.5	106.5
Gender												
Male	799.6	801.6	847.7	856.2	888.8	920.9	939.6	934.5	858.2	678.9	624.8	626.1
Female	635.4	627.7	648.4	629.4	620.5	622.1	625.4	606.1	569.1	500.7	487.7	474.6
Age												
Under 25	413.5	400.9	418.6	434.5	440.2	448.1	457.1	442.2	418.5	371.2	330.3	350.8
25 to 54	809.0	820.6	865.8	864.7	876.6	890.6	906.2	905.1	829.9	652.9	635.7	612.3
55 and Older	212.6	207.8	211.7	186.3	192.4	204.3	201.6	193.2	178.9	155.4	146.5	137.6

Source: Statistics Canada, Labour Force Survey.

[1] Fiscal year data calculated using annual averages of unadjusted data.

[2] Quarterly data calculated using quarterly averages of seasonally adjusted data.

Annex 2.5: Unemployment Rate, by Province, Gender and Age

	Percentage Point Change[1]	Annual Unemployment Rate, by Fiscal Year (%)[2]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
NATIONAL	**-0.5**	**7.9**	**8.4**	**6.6**	**6.0**	**6.2**	**6.6**	**7.1**	**7.6**	**7.5**	**7.5**	**6.9**
Province												
Newfoundland and Labrador	-1.9	13.6	15.5	13.9	13.0	14.5	15.3	15.4	16.1	16.6	16.1	16.3
Prince Edward Island	-0.1	11.4	11.5	11.3	10.2	10.7	11.1	11.0	11.0	11.6	12.4	11.9
Nova Scotia	0.1	9.3	9.2	8.0	7.9	7.8	8.2	8.8	9.1	9.4	9.8	9.2
New Brunswick	0.6	9.4	8.8	8.8	7.8	8.2	9.5	9.7	10.1	10.0	10.9	10.4
Quebec	-0.5	7.9	8.4	7.6	7.1	7.9	8.3	8.4	9.2	8.6	9.0	8.6
Ontario	-0.7	8.4	9.1	7.1	6.3	6.4	6.5	6.8	6.9	7.0	6.7	5.8
Manitoba	0.0	5.3	5.3	4.4	4.3	4.4	4.5	5.3	5.0	5.0	5.2	4.8
Saskatchewan	0.5	5.3	4.8	4.2	4.2	4.3	5.1	5.1	5.6	5.7	5.8	5.3
Alberta	-0.7	6.2	6.9	4.1	3.5	3.5	3.8	4.4	5.0	5.4	4.7	5.0
British Columbia	-0.2	7.7	7.9	5.3	4.3	4.6	5.3	6.9	8.0	8.2	8.2	7.2
Gender												
Male	-1.1	8.4	9.5	7.3	6.3	6.5	6.8	7.3	7.9	7.9	7.9	7.0
Female	0.1	7.2	7.1	5.9	5.6	6.0	6.4	6.8	7.1	7.1	7.0	6.7
Age												
Under 25	-0.8	14.6	15.4	12.3	11.1	11.5	12.2	13.1	13.9	13.4	13.2	12.6
25 to 54	-0.4	6.7	7.1	5.5	5.0	5.2	5.6	6.0	6.4	6.4	6.4	5.8
55 and Older	-0.2	6.4	6.6	5.5	4.7	5.1	5.0	5.4	5.8	5.9	5.7	5.3

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Annex 2.5: Unemployment Rate, by Province, Gender and Age *(Continued)*

	Monthly Unemployment Rate (%)[3]												
	Mar 2011	Feb 2011	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Sep 2010	Aug 2010	Jul 2010	Jun 2010	May 2010	Apr 2010	Mar 2010
NATIONAL	**7.6**	**7.7**	**7.7**	**7.6**	**7.6**	**7.8**	**8.0**	**8.1**	**8.0**	**7.9**	**8.1**	**8.1**	**8.2**
Province													
Newfoundland and Labrador	12.3	12.5	12.2	13.5	13.9	12.9	13.4	13.6	15.1	14.7	13.8	15.5	15.6
Prince Edward Island	11.2	11.5	11.3	12.0	12.2	12.7	13.3	11.3	10.8	12.1	10.4	9.3	10.9
Nova Scotia	8.9	9.4	9.4	10.5	9.5	9.6	9.1	9.7	9.4	8.9	8.7	8.6	8.4
New Brunswick	9.6	9.8	9.2	9.5	10.0	9.8	9.8	9.8	9.0	9.2	9.0	8.5	8.6
Quebec	7.7	7.6	7.8	7.4	7.8	7.9	7.9	8.0	8.2	7.9	8.1	7.9	7.9
Ontario	8.0	8.0	8.1	8.2	8.2	8.4	8.8	8.8	8.6	8.3	8.8	8.8	8.8
Manitoba	5.5	5.3	5.0	5.3	5.1	5.0	5.3	5.6	5.6	5.4	5.8	5.1	5.3
Saskatchewan	5.2	5.6	5.3	5.5	5.3	5.8	5.6	5.0	5.2	5.6	5.0	5.2	5.2
Alberta	5.7	5.7	5.9	5.6	5.7	6.0	6.1	6.4	6.3	6.6	6.7	7.5	7.4
British Columbia	8.1	8.7	8.1	7.6	7.2	7.5	7.8	7.4	7.6	7.7	7.6	7.4	7.9
Gender													
Male	8.1	8.2	8.2	8.1	8.2	8.3	8.5	8.7	8.7	8.5	8.9	8.8	9.1
Female	7.2	7.2	7.2	7.1	7.0	7.4	7.5	7.3	7.3	7.1	7.1	7.3	7.1
Age													
Under 25	14.4	14.3	14.4	14.0	13.6	14.7	14.8	14.7	14.2	14.6	15.2	15.2	15.4
25 to 54	6.4	6.5	6.5	6.5	6.6	6.6	6.9	6.9	6.9	6.8	6.9	6.9	6.9
55 and Older	6.6	6.6	6.5	6.5	6.4	6.5	6.5	6.7	6.8	6.0	6.1	6.0	6.2

Source: Statistics Canada, Labour Force Survey.

[1] Percentage point difference between 2009/10 and 2010/11.

[2] Fiscal year data calculated using annual averages of unadjusted data.

[3] Monthly data are seasonally adjusted.

Annex 2.6: Employment and Unemployment Rate, by Education Level

	Unemployment Rate (%)	Employment % Change	Annual Employment, by Fiscal Year (000s)[1]										
	2010/11	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
NATIONAL	**7.9**	**1.7**	**17,121.3**	**16,827.6**	**17,038.2**	**16,896.3**	**16,513.3**	**16,187.5**	**15,971.1**	**15,722.8**	**15,426.1**	**14,984.9**	**14,819.4**
Education Level													
Eight Years or Less	15.5	-7.9	347.3	377.2	396.2	428.3	450.7	464.0	488.1	506.6	500.7	490.2	531.6
Some High School	15.8	-4.0	1,501.9	1,563.9	1,732.5	1,755.7	1,786.2	1,758.9	1,788.8	1,804.2	1,880.6	1,898.9	1,932.5
High School Diploma	8.6	-1.3	3,336.3	3,379.3	3,383.6	3,433.1	3,393.4	3,362.2	3,275.1	3,180.0	3,176.1	3,119.9	3,108.7
Some Post-Secondary	9.8	1.9	1,398.2	1,372.6	1,466.4	1,418.1	1,329.2	1,374.9	1,553.5	1,576.4	1,477.8	1,392.3	1,449.7
Post-Secondary Certificate or Diploma	6.4	3.3	6,126.7	5,932.3	5,946.9	5,919.0	5,717.1	5,577.3	5,476.4	5,342.9	5,232.9	5,044.2	4,848.3
University Degree	5.1	5.0	4,410.9	4,202.2	4,112.5	3,942.1	3,836.8	3,650.2	3,389.1	3,312.7	3,157.9	3,039.5	2,948.5

Source: Statistics Canada, Labour Force Survey.

[1] Fiscal year data calculated using annual averages of unadjusted data.

Annex 2.7: Labour Force Estimates

	% Change[1]	Annual Labour Force Estimates, by Fiscal Year (000s)[2]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
Population	1.3	27,743.9	27,391.7	27,006.9	26,613.4	26,239.1	25,871.4	25,515.8	25,180.0	24,865.3	24,527.6	24,174.0
Labour force	1.2	18,584.2	18,363.9	18,248.3	17,968.1	17,612.5	17,335.7	17,189.7	17,008.0	16,683.9	16,194.9	15,915.7
Employment[3]	1.7	17,121.3	16,827.6	17,038.2	16,896.3	16,513.3	16,187.5	15,971.1	15,722.8	15,426.1	14,984.9	14,819.4
Full time	1.5	13,790.9	13,592.1	13,849.6	13,812.8	13,511.9	13,215.1	13,011.0	12,763.2	12,515.4	12,253.2	12,134.9
Part time	2.9	3,330.4	3,235.5	3,188.6	3,083.4	3,001.4	2,972.4	2,960.1	2,959.7	2,910.6	2,731.8	2,684.5
Unemployment	-4.8	1,463.0	1,536.3	1,210.1	1,071.8	1,099.2	1,148.2	1,218.6	1,285.2	1,257.8	1,210.0	1,096.4
	% Point Change[4]	Annual Labour Force Estimates, by Fiscal Year (%)[2]										
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01
Unemployment rate	-0.5	7.9	8.4	6.6	6.0	6.3	6.6	7.1	7.5	7.5	7.5	6.9
Participation rate	0.0	67.0	67.0	67.6	67.5	67.1	67.0	67.4	67.5	67.1	66.0	65.8
Employment rate	0.3	61.7	61.4	63.1	63.5	62.9	62.6	62.6	62.5	62.0	61.1	61.3
		Quarterly Labour Force Estimates (000s, %)[5]										
	2011Q1	2010Q4	2010Q3	2010Q2	2010Q1	2009Q4	2009Q3	2009Q2	2009Q1	2008Q4	2008Q3	2008Q2
Population	27,865.5	27,790.2	27,708.6	27,611.4	27,523.9	27,444.4	27,352.4	27,246.2	27,149.6	27,061.3	26,963.1	26,853.8
Labour force	18,668.7	18,568.6	18,592.7	18,525.3	18,418.3	18,397.3	18,342.6	18,318.8	18,280.3	18,281.6	18,217.3	18,184.1
Employment[3]	17,233.6	17,139.2	17,096.7	17,039.8	16,909.1	16,854.3	16,777.6	16,778.2	16,853.0	17,102.0	17,104.7	17,083.5
Full time	13,893.1	13,815.9	13,715.5	13,749.6	13,670.7	13,631.7	13,534.2	13,526.9	13,619.9	13,892.8	13,941.4	13,920.9
Part time	3,340.5	3,323.3	3,381.1	3,290.2	3,238.4	3,222.6	3,243.5	3,251.2	3,233.0	3,209.2	3,163.3	3,162.6
Unemployment	1,435.1	1,429.3	1,496.1	1,485.6	1,509.3	1,543.1	1,565.0	1,540.6	1,427.3	1,179.5	1,112.5	1,100.7
Unemployment rate	7.7	7.7	8.0	8.0	8.2	8.4	8.5	8.4	7.8	6.4	6.1	6.1
Participation rate	67.0	66.8	67.1	67.1	66.9	67.0	67.1	67.2	67.3	67.6	67.6	67.7
Employment rate	61.8	61.7	61.7	61.7	61.4	61.4	61.3	61.6	62.1	63.2	63.4	63.6

Source: Statistics Canada, Labour Force Survey.

[1] Percentage growth between 2009/10 and 2010/11.

[2] Fiscal year data calculated using annual averages of unadjusted data.

[3] Employment includes those who are self-employed.

[4] Percentage point difference between 2009/10 and 2010/11.

[5] Quarterly data calculated using quarterly averages of seasonally adjusted data.

ANNEX 3

INCOME BENEFITS DATA TABLES

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Annex 3.1: Total Income Benefits

	New Claims[1]					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change	(000's)				% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory															
Newfoundland and Labrador	-7.9	85.0	92.3	93.4	90.4	3.7	377	363	360	343	-8.5	884.0	966.0	838.3	786.2
Prince Edward Island	-5.0	23.3	24.6	24.4	23.3	1.4	370	364	359	346	-2.3	221.9	227.1	201.9	191.6
Nova Scotia	-4.8	86.3	90.7	89.9	82.7	1.9	363	356	349	334	-4.2	791.1	825.9	696.7	638.9
New Brunswick	-3.0	91.3	94.1	91.9	88.9	2.1	359	352	347	335	-3.0	833.8	859.5	723.9	684.5
Quebec	-12.6	506.3	579.1	571.8	511.8	1.3	364	360	351	339	-6.8	3,896.4	4,181.3	3,342.9	3,117.0
Ontario	-19.2	566.6	701.4	731.3	551.7	0.6	371	369	366	349	-15.1	5,874.9	6,917.4	4,922.8	4,037.8
Manitoba	-12.5	58.4	66.7	62.0	51.4	1.8	358	352	345	329	-5.2	487.8	514.8	390.5	349.7
Saskatchewan	-11.3	44.2	49.8	46.2	40.2	1.9	376	369	364	342	-4.2	408.0	426.1	321.4	294.2
Alberta	-23.0	152.0	197.3	166.4	117.9	1.1	400	395	389	368	-19.2	1,623.9	2,008.9	1,078.6	877.2
British Columbia	-13.7	226.8	262.9	255.3	194.2	0.0	367	367	366	350	-8.1	2,224.1	2,420.7	1,636.2	1,301.4
Nunavut	15.1	1.6	1.4	1.5	1.0	1.2	430	425	403	383	4.5	18.4	17.6	13.0	11.5
Northwest Territories	-1.6	2.5	2.5	2.3	1.9	3.4	440	426	420	396	-4.5	31.1	32.6	23.3	21.6
Yukon	-5.2	2.6	2.7	2.6	2.3	2.7	434	423	413	387	-12.3	27.9	31.9	22.6	21.2
Gender															
Male	-17.8	1,010.2	1,228.5	1,232.6	947.7	1.1	395	391	387	372	-17.0	9,276.0	11,170.9	7,582.9	6,321.7
Female	-10.7	836.6	937.0	906.3	809.8	1.6	340	334	327	314	-2.6	8,047.5	8,258.8	6,629.4	6,011.2
Age															
Under 25	-13.9	218.1	253.3	249.4	203.3	1.5	331	326	325	308	-18.7	1,595.3	1,962.7	1,418.9	1,209.7
25 to 44	-15.1	901.7	1,061.5	1,057.5	887.3	1.3	381	377	370	355	-12.3	9,057.2	10,323.4	7,807.2	6,961.4
45 to 54	-18.0	417.4	508.9	510.3	408.0	0.6	374	372	367	349	-10.7	3,793.9	4,249.1	2,995.4	2,495.1
55 and Over	-9.4	309.6	341.8	321.7	258.9	0.8	359	356	351	335	-0.6	2,877.1	2,894.5	1,990.8	1,666.6
EI History[3]															
First-Time Claimants	-22.8	805.3	1,043.8	997.0	750.1	-0.4	360	361	355	336	-12.5	8,757.8	10,013.1	6,874.3	5,768.4
Occasional Claimants	-8.0	532.1	578.3	589.8	484.7	1.3	365	360	357	339	-12.0	4,506.2	5,118.3	3,635.1	3,088.8
Frequent Claimants	-6.3	509.4	543.4	552.0	522.8	2.3	392	384	377	365	-5.6	4,059.5	4,298.3	3,702.8	3,475.6
NATIONAL	**-14.7**	**1,846.8**	**2,165.5**	**2,138.9**	**1,757.5**	**1.0**	**370**	**366**	**361**	**345**	**-10.8**	**17,323.5**	**19,429.7**	**14,212.3**	**12,332.9**

Source: EI administrative data.

[1] Includes claims for which at least $1 of EI benefits was paid.

[2] Takes into account benefit payments under regular, fishing, special (sickness, maternity, parental, compassionate), employment (section 25 of the *Employment Insurance Act*) and Work-Sharing benefits. Payments under Part II of the *Employment Insurance Act* are not included. Dollar figures encompass Family Supplement top-ups paid.

[3] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

Annex 3.2: Regular Benefits

	New Claims[1]					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change	(000's)				% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory															
Newfoundland and Labrador	-7.6	67.7	73.3	74.1	70.3	3.3	372	360	354	337	-9.6	686.7	759.3	633.9	591.2
Prince Edward Island	-5.4	18.0	19.1	18.6	17.6	0.9	361	358	353	339	-1.8	159.5	162.4	143.3	133.7
Nova Scotia	-4.4	67.0	70.0	70.2	62.7	2.0	360	353	347	331	-4.4	581.6	608.2	494.3	447.5
New Brunswick	-2.5	74.5	76.4	75.2	72.0	1.7	359	353	349	336	-3.7	631.2	655.2	541.1	514.9
Quebec	-10.2	441.5	491.4	503.4	449.7	1.6	368	363	355	344	-6.1	3,433.1	3,657.3	2,926.8	2,722.6
Ontario	-17.9	398.0	484.6	537.5	378.9	0.7	371	368	369	353	-18.4	3,796.3	4,653.7	2,957.5	2,207.7
Manitoba	-12.6	37.5	42.9	39.6	32.2	1.2	359	355	349	331	-4.9	280.8	295.3	199.2	169.3
Saskatchewan	-15.1	29.0	34.1	31.1	26.1	1.3	379	374	371	349	-7.3	242.5	261.6	170.2	160.6
Alberta	-26.1	96.8	131.1	106.6	58.0	1.9	406	399	398	375	-25.6	950.5	1,277.6	442.0	309.3
British Columbia	-14.3	161.9	188.9	181.4	122.8	-0.4	368	369	372	356	-10.5	1,479.0	1,652.9	939.3	667.0
Nunavut	21.1	1.2	1.0	1.0	0.6	0.1	428	427	414	390	12.2	12.7	11.3	9.0	6.6
Northwest Territories	-12.2	1.7	1.9	1.7	1.3	3.1	441	428	423	392	-12.4	20.4	23.3	15.1	12.8
Yukon	0.5	2.1	2.1	2.1	1.8	1.8	431	423	417	388	-17.3	20.2	24.4	17.0	14.5
Gender															
Male	-14.9	847.5	996.4	1,038.6	775.4	1.3	395	390	387	373	-17.1	7,969.7	9,610.0	6,350.5	5,215.7
Female	-11.4	549.4	620.3	603.9	518.7	1.0	333	330	324	310	-2.4	4,324.7	4,432.4	3,138.2	2,742.0
Age															
Under 25	-14.6	161.6	189.3	184.4	137.0	1.5	337	332	333	316	-20.9	1,092.1	1,381.3	876.5	714.4
25 to 44	-15.1	629.4	741.3	763.2	606.4	1.2	381	376	372	356	-16.7	5,404.5	6,488.4	4,382.0	3,758.1
45 to 54	-14.8	349.0	409.9	427.7	339.2	0.8	376	373	369	352	-10.3	3,282.7	3,659.5	2,539.8	2,089.5
55 and Over	-7.0	256.9	276.2	267.2	211.6	1.1	362	358	354	338	0.1	2,515.1	2,513.1	1,690.4	1,395.6
EI History[3]															
First-Time Claimants	-24.1	468.9	617.6	622.4	412.5	-0.9	355	358	357	335	-16.7	5,021.4	6,029.3	3,424.9	2,621.7
Occasional Claimants	-7.8	455.6	494.3	508.3	401.4	1.2	367	362	360	341	-12.4	3,688.5	4,212.2	2,837.9	2,329.1
Frequent Claimants	-6.4	472.4	504.7	511.8	480.1	2.1	391	383	376	363	-5.7	3,584.5	3,800.8	3,225.9	3,006.9
NATIONAL	**-13.6**	**1,396.9**	**1,616.6**	**1,642.5**	**1,294.1**	**1.0**	**371**	**367**	**364**	**347**	**-12.4**	**12,294.4**	**14,042.4**	**9,488.7**	**7,957.6**

Source: EI administrative data.

[1] Includes claims for which at least $1 of regular benefits was paid.

[2] Takes into account Family Supplement top-ups paid to regular claimants.

[3] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

Annex 3.3: Regular Benefits, by Industry

	New Claims[1]					Average Weekly Benefit					Amount Paid				
	% Change	(000's)				% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Goods-Producing Industries	**-16.1**	**529.4**	**630.9**	**732.5**	**541.4**	**1.3**	**403**	**398**	**391**	**374**	**-22.9**	**4,975.6**	**6,450.8**	**4,512.7**	**3,631.8**
Agriculture, Forestry, Fishing and Hunting[2]	-9.6	63.5	70.2	73.1	73.7	-0.2	368	368	365	353	-11.4	575.6	649.3	573.4	568.4
Mining, and Oil and Gas Extraction	-32.7	20.5	30.4	35.1	21.0	2.2	448	438	430	414	-46.8	220.6	414.8	210.1	157.1
Utilities	-4.6	5.0	5.3	4.5	4.0	3.1	445	432	422	407	5.9	46.2	43.7	28.1	23.9
Construction	-6.8	267.8	287.5	279.3	211.6	2.3	425	416	407	395	-9.1	2,291.5	2,519.7	1,687.7	1,366.1
Manufacturing	-27.3	172.7	237.6	340.6	231.1	-0.7	377	380	378	357	-34.8	1,841.6	2,823.4	2,013.4	1,516.3
Services Industries	**-12.7**	**823.8**	**944.0**	**876.9**	**734.1**	**1.1**	**351**	**348**	**342**	**328**	**-4.4**	**6,978.9**	**7,297.4**	**4,810.0**	**4,218.4**
Wholesale Trade	-20.9	50.0	63.2	63.4	49.2	-0.2	365	366	355	340	-12.5	588.4	672.7	415.6	354.1
Retail Trade	-5.5	94.7	100.3	93.8	75.6	3.0	313	304	300	286	3.5	802.1	774.9	514.5	446.4
Transportation and Warehousing	-19.3	61.3	76.0	73.8	58.8	-0.5	358	360	360	340	-19.9	515.9	644.2	405.3	339.7
Information and Cultural Industries	-23.0	13.2	17.2	16.9	11.8	2.2	396	387	381	367	-7.1	172.3	185.5	105.7	89.2
Finance and Insurance	-19.9	16.6	20.8	19.3	14.4	-0.9	379	382	370	351	-1.1	220.1	222.5	133.4	107.2
Real Estate, and Rental and Leasing	-17.1	17.8	21.5	19.7	14.0	1.3	353	348	348	329	-7.9	185.5	201.5	116.7	95.9
Professional, Scientific and Technical Services	-18.0	53.9	65.8	68.7	46.2	1.0	391	387	382	364	-21.9	569.6	729.4	409.2	316.5
Management of Companies and Enterprises	-8.7	7.4	8.1	9.0	6.0	3.7	394	380	357	358	-12.7	75.0	85.9	54.1	42.2
Administrative and Support, Waste Management and Remediation Services	-15.0	95.8	112.8	106.0	80.4	2.0	341	334	331	318	-10.9	856.1	961.2	607.5	504.3
Educational Services	-15.5	126.0	149.0	135.2	128.7	1.4	387	382	372	364	11.0	664.9	599.3	461.3	428.1
Health Care and Social Assistance	2.4	54.3	53.0	45.8	43.2	1.8	343	337	329	314	21.7	425.5	349.6	254.2	236.2
Arts, Entertainment and Recreation	-6.9	34.6	37.1	32.3	30.2	2.2	328	321	315	305	4.4	253.9	243.2	185.2	172.3
Accommodation and Food Services	-8.0	76.7	83.3	75.4	67.2	1.1	285	282	282	270	-2.4	558.8	572.3	409.0	379.2
Other Services	-14.5	47.7	55.8	50.8	43.5	2.4	337	329	325	308	-2.1	438.8	448.2	299.9	272.8
Public Administration	-8.0	74.0	80.5	66.8	65.0	2.1	388	380	370	356	7.4	651.9	606.9	438.5	434.4
Unclassified	4.8	43.6	41.7	33.0	18.6	0.3	344	343	341	326	15.5	339.9	294.2	166.0	107.5
ALL INDUSTRIES	**-13.6**	**1,396.9**	**1,616.6**	**1,642.5**	**1,294.1**	**1.0**	**371**	**367**	**364**	**347**	**-12.4**	**12,294.4**	**14,042.4**	**9,488.7**	**7,957.6**

Source: EI administrative data.

[1] Includes claims for which at least $1 of regular benefits was paid.

[2] Due to small numbers, regular benefits received under fish harvesting (self-employed) have been counted here as part of the agriculture, forestry, fishing and hunting section. Note that the majority of fish harvesting (self-employed) claims are counted toward fishing claims (see Annex 3.5 for fishing claims).

Annex 3.4: Distribution of Claims for Regular Benefits, by Duration of Insured Employment

	% Change			New Claims[1]											
	2009/10–2010/11			2010/11			2009/10			2008/09			2007/08		
	Short Spells[2]	Medium Spells[3]	Long Spells[4]	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells	Short Spells	Medium Spells	Long Spells
Province/Territory															
Newfoundland and Labrador	-13.4	-6.1	-8.1	7,490	38,970	21,240	8,650	41,510	23,120	6,500	41,980	25,650	6,940	41,600	21,800
Prince Edward Island	19.3	-6.7	-8.8	1,730	10,360	5,940	1,450	11,100	6,510	1,840	10,640	6,130	2,030	10,270	5,300
Nova Scotia	-7.3	-2.5	-6.8	4,170	39,030	23,740	4,500	40,020	25,470	4,260	39,320	26,610	4,470	36,340	21,930
New Brunswick	-3.9	-1.7	-3.7	4,210	45,560	24,750	4,380	46,340	25,690	3,720	44,040	27,390	4,350	43,710	23,910
Quebec	-6.5	-6.1	-16.6	24,000	260,290	157,180	25,660	277,260	188,480	25,360	277,850	200,130	25,080	263,600	161,010
Ontario	-9.8	-9.7	-25.8	14,410	202,040	181,580	15,980	223,730	244,870	16,050	232,280	289,120	12,050	191,600	175,260
Manitoba	6.3	-12.0	-15.2	1,680	21,180	14,590	1,580	24,080	17,200	1,370	21,170	17,090	1,170	18,820	12,250
Saskatchewan	-27.1	-9.3	-21.4	940	16,870	11,180	1,290	18,610	14,230	950	17,090	13,050	1,070	15,490	9,550
Alberta	-14.2	-17.6	-33.4	2,950	45,990	47,880	3,440	55,790	71,840	2,320	46,310	57,980	1,390	28,850	27,710
British Columbia	-11.2	-8.8	-20.7	7,230	87,180	67,520	8,140	95,560	85,150	6,990	89,230	85,170	5,390	69,340	47,990
Nunavut	200.0	17.0	17.5	60	620	470	20	530	400	50	420	550	20	430	160
Northwest Territories	175.0	-11.3	-21.8	110	860	680	40	970	870	70	720	920	70	770	490
Yukon	-30.0	10.5	-11.7	70	1,370	680	100	1,240	770	70	1,230	790	110	1,070	610
Gender															
Male	-12.8	-7.5	-22.9	39,340	449,440	358,690	45,120	485,950	465,260	38,010	478,900	521,680	35,190	404,700	335,510
Female	-1.3	-8.5	-17.0	29,710	320,880	198,740	30,110	350,790	239,340	31,540	343,380	228,900	28,950	317,190	172,460
Age															
Under 25	-15.5	-10.2	-21.6	7,420	99,630	54,560	8,780	110,910	69,610	7,600	106,440	70,330	6,480	85,610	44,880
25 to 44	-8.1	-9.3	-21.8	28,290	330,670	270,390	30,800	364,450	345,970	29,390	365,030	368,740	27,340	323,700	255,270
45 to 54	-11.2	-8.7	-22.2	16,600	189,100	143,290	18,700	207,030	184,130	17,030	207,620	203,020	15,930	186,750	136,500
55 and Over	-1.2	-2.2	-15.0	16,740	150,920	89,190	16,950	154,350	104,890	15,530	143,190	108,490	14,390	125,830	71,320
EI History[5]															
First-Time Claimants	-17.4	-16.4	-29.2	10,270	197,570	261,080	12,430	236,230	368,930	11,550	235,130	375,690	8,140	178,170	226,160
Occasional Claimants	-3.1	-3.6	-14.1	29,850	252,850	172,820	30,800	262,280	201,200	27,540	253,520	227,190	24,980	218,820	157,610
Frequent Claimants	-9.6	-5.4	-8.1	28,930	319,900	123,530	32,000	338,230	134,470	30,460	333,630	147,700	31,020	324,900	124,200
NATIONAL	**-8.2**	**-7.9**	**-20.9**	**69,050**	**770,320**	**557,430**	**75,230**	**836,740**	**704,600**	**69,550**	**822,280**	**750,580**	**64,140**	**721,890**	**507,970**

Source: EI administrative data.

[1] Includes claims for which at least $1 of regular benefits was paid.

[2] Short spells: Duration of insured employment is at the minimum entrance requirement or up to two weeks above the minimum entrance requirement.

[3] Medium spells: Duration of insured employment is at least three weeks greater than the minimum entrance requirement but less than or equal to six months.

[4] Long spells: Duration of insured employment is more than six months longer than the minimum entrance requirement.

[5] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

Annex 3.5: Fishing Benefits

	New Claims[1]					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change					% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory															
Newfoundland and Labrador	-6.4	11,295	12,070	13,569	13,920	4.5	417	399	404	395	-7.5	92.52	100.03	107.13	106.75
Prince Edward Island	-2.9	3,015	3,104	3,220	3,327	3.6	436	421	415	406	-3.2	23.88	24.68	25.24	25.76
Nova Scotia	-0.1	5,558	5,563	5,518	5,744	3.3	432	418	407	401	2.0	46.98	46.06	43.44	44.51
New Brunswick	-3.1	2,718	2,806	2,871	3,054	2.8	440	428	419	404	-5.1	23.19	24.44	23.38	23.67
Quebec	-5.6	1,478	1,565	1,601	1,639	3.2	445	431	421	409	-1.4	11.64	11.81	11.79	11.47
Ontario	12.5	90	80	66	80	1.0	394	390	360	363	31.6	1.00	0.76	0.71	0.58
Manitoba	-3.7	893	927	809	830	-1.3	371	376	382	368	1.2	9.20	9.09	8.86	8.36
Saskatchewan	-12.3	136	155	111	112	4.8	368	351	354	304	-20.6	0.50	0.63	0.34	0.36
Alberta	13.6	25	22	24	32	8.8	421	387	391	386	-52.4	0.10	0.21	0.12	0.52
British Columbia	10.9	3,294	2,969	2,701	3,098	4.6	411	393	368	351	19.8	32.39	27.03	24.89	26.69
Nunavut	-22.2	21	27	28	23	3.6	426	411	404	395	-42.9	0.12	0.21	0.13	0.16
Northwest Territories	28.6	9	7	10	7	-2.4	399	409	384	339	21.4	0.17	0.14	0.15	0.05
Yukon	-66.7	1	3	1	0	19.0	457	384	353	0	N/A	0.00	0.00	0.00	0.00
Gender															
Male	-2.5	23,672	24,282	24,963	26,049	3.6	428	413	408	397	-1.2	200.07	202.51	200.46	202.80
Female	-3.1	4,861	5,016	5,566	5,817	4.4	401	384	386	377	-2.3	41.62	42.59	45.71	46.08
Age															
Under 25	-3.9	1,218	1,267	1,414	1,507	2.5	405	395	384	377	-18.6	9.13	11.22	11.00	11.73
25 to 44	-7.1	9,639	10,375	11,340	12,548	3.4	426	412	407	397	-5.2	84.00	88.62	94.75	103.07
45 to 54	-2.7	9,029	9,277	9,539	9,795	3.6	427	412	407	395	-0.6	75.46	75.90	74.52	72.50
55 and Over	3.2	8,647	8,379	8,236	8,016	4.8	419	400	399	389	5.4	73.10	69.35	65.90	61.59
EI History[3]															
First-Time Claimants	10.6	895	809	742	809	1.6	393	387	371	366	0.4	7.27	7.24	5.84	6.69
Occasional Claimants	11.3	2,136	1,920	1,854	2,108	3.3	402	389	375	361	9.5	16.87	15.40	15.23	17.39
Frequent Claimants	-4.0	25,502	26,569	27,933	28,949	3.9	426	410	407	396	-2.2	217.56	222.46	225.09	224.80
NATIONAL	**-2.6**	**28,533**	**29,298**	**30,529**	**31,866**	**3.7**	**423**	**408**	**404**	**393**	**-1.4**	**241.70**	**245.10**	**246.17**	**248.88**

Source: EI administrative data.

N/A: Not applicable.

[1] Includes claims for which at least $1 of fishing benefits was paid.

[2] Takes into account Family Supplement top-ups paid to fishing claimants.

[3] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

Annex 3.6: Frequent Claimants[1]

	New Claims[2]					Average Weekly Benefit[3]					Amount Paid[3]				
	% Change					% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory															
Newfoundland and Labrador	-5.2	53,930	56,890	58,050	58,710	3.9	391	376	375	360	-8.1	526.1	572.4	515.4	500.5
Prince Edward Island	-2.6	13,960	14,330	14,770	14,650	2.5	388	379	374	360	-3.3	123.7	127.9	117.9	117.3
Nova Scotia	-2.6	37,530	38,550	38,240	37,330	2.4	386	377	368	357	-2.5	323.0	331.3	292.9	280.7
New Brunswick	-1.1	44,950	45,460	45,550	45,520	2.5	382	372	365	352	-3.5	395.3	409.6	357.5	351.3
Quebec	-6.4	188,160	201,060	202,400	193,260	2.3	394	385	375	366	-3.8	1,334.4	1,386.9	1,229.6	1,176.5
Ontario	-6.6	94,210	100,920	108,270	90,910	1.5	399	393	389	375	-10.6	604.4	676.3	533.6	435.2
Manitoba	-13.2	10,680	12,300	11,510	11,420	1.4	378	373	366	354	-2.5	74.9	76.8	64.3	61.5
Saskatchewan	-14.2	8,690	10,130	9,780	9,710	1.8	394	387	376	359	-6.3	61.7	65.8	55.2	54.6
Alberta	-9.7	11,910	13,190	13,840	11,940	3.4	427	413	403	386	-8.7	91.7	100.4	66.3	59.7
British Columbia	-12.5	32,560	37,220	36,080	34,530	0.8	388	384	379	367	-3.1	253.6	261.6	205.9	184.1
Nunavut	7.1	150	140	160	110	-0.2	441	442	436	423	-25.2	1.4	1.8	1.4	0.8
Northwest Territories	17.6	400	340	390	370	2.0	451	442	430	420	10.0	4.8	4.3	4.3	3.7
Yukon	0.0	770	770	710	630	1.2	437	432	421	404	-12.5	7.1	8.1	6.6	5.8
Gender															
Male	-3.8	331,470	344,430	355,520	330,160	2.3	418	408	402	390	-7.6	2,744.4	2,969.8	2,533.9	2,355.4
Female	-10.9	166,400	186,860	184,220	178,930	0.7	342	340	331	320	0.4	1,057.6	1,053.5	917.0	876.3
Age															
Under 25	-1.0	14,750	14,900	15,270	14,020	2.8	404	393	386	369	-6.8	110.7	118.8	101.1	92.3
25 to 44	-7.5	193,960	209,590	219,030	211,200	2.6	406	396	389	375	-9.9	1,448.0	1,607.5	1,401.3	1,366.4
45 to 54	-9.1	158,070	173,920	178,260	167,970	2.2	391	383	376	363	-5.6	1,211.9	1,284.1	1,113.4	1,028.4
55 and Over	-1.3	131,090	132,870	127,180	115,900	1.9	375	368	361	349	1.8	1,031.4	1,012.9	835.2	744.6
Seasonality[4]															
Seasonal	-8.3	407,310	444,000	440,590	424,110	2.0	393	385	378	366	-3.8	3,136.5	3,259.3	2,817.2	2,676.1
Non-Seasonal	3.7	90,560	87,290	99,150	84,980	3.4	392	379	377	361	-12.9	665.5	764.0	633.7	555.6
NATIONAL	**-6.3**	**497,870**	**531,290**	**539,740**	**509,090**	**2.2**	**393**	**384**	**377**	**365**	**-5.5**	**3,802.0**	**4,023.3**	**3,451.0**	**3,231.7**

Source: EI administrative data.

[1] This table includes both regular and fishing claims.

[2] Includes claims for which at least $1 of regular or fishing benefits was paid.

[3] Takes into account Family Supplement top-ups paid to frequent claimants.

[4] Individuals who started previous claims at about the same time of the year as their current claim are considered seasonal claimants.

Annex 3.7: Special Benefits[1]

	New Claims[2]					Amount Paid[3]				
	% Change					% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory										
Newfoundland and Labrador	-4.2	10,740	11,210	10,790	10,820	4.4	82.9	79.4	71.8	65.4
Prince Edward Island	3.1	5,370	5,210	5,300	4,690	-3.9	29.2	30.4	26.8	24.8
Nova Scotia	3.4	21,480	20,770	22,060	20,830	-3.0	144.3	148.7	143.3	130.3
New Brunswick	1.8	25,360	24,910	25,100	24,640	0.1	142.6	142.4	134.6	123.2
Quebec	-3.0	96,480	99,470	99,130	97,810	-0.5	300.0	301.5	282.2	273.6
Ontario	-2.7	181,220	186,340	188,090	183,880	-0.5	1,915.4	1,924.3	1,829.0	1,738.1
Manitoba	-2.0	18,870	19,250	19,140	17,750	-3.3	165.2	170.8	153.4	150.1
Saskatchewan	-1.7	14,250	14,490	14,210	13,530	2.7	147.5	143.6	134.6	118.7
Alberta	-2.7	50,990	52,420	52,210	48,860	-2.9	593.4	611.1	551.1	497.4
British Columbia	-2.3	72,720	74,440	76,890	72,520	0.3	636.6	634.8	603.0	558.8
Nunavut	2.1	480	470	500	310	-6.9	5.4	5.8	3.4	4.5
Northwest Territories	14.7	780	680	610	620	17.7	9.3	7.9	6.7	7.5
Yukon	-17.2	530	640	540	480	9.7	6.8	6.2	4.8	5.4
Gender										
Male	-1.7	160,700	163,510	168,970	157,480	-1.8	682.6	694.8	645.0	594.1
Female	-2.4	338,570	346,790	345,600	339,260	-0.5	3,495.8	3,512.4	3,299.7	3,103.6
Age										
Under 25	-5.5	45,700	48,350	51,530	50,430	-8.7	350.1	383.5	374.6	348.2
25 to 44	-2.2	294,460	301,150	303,000	296,260	-0.1	3,252.7	3,255.1	3,045.9	2,864.6
45 to 54	-2.9	88,460	91,060	93,510	88,080	-0.2	325.6	326.1	309.3	285.6
55 and Over	1.3	70,650	69,740	66,530	61,970	3.1	250.0	242.4	214.8	199.3
NATIONAL	**-2.2**	**499,270**	**510,300**	**514,570**	**496,740**	**-0.7**	**4,178.4**	**4,207.2**	**3,944.7**	**3,697.6**

Source: EI administrative data.

[1] For a breakdown of maternity, parental, sickness and compassionate care benefits, please see tables 2.8, 2.9, 2.10, 2.11 and 2.12.

[2] Includes claims for which at least $1 of maternity, parental, sickness or compassionate care benefits was paid. Includes special benefits claims paid to self-employed individuals from January to March 2011.

[3] Takes into account Family Supplement top-ups paid to claimants with special benefits.

Annex 3.8: Maternity Benefits

	New Claims[1]					Average Number of Weeks Paid					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change					% Change					% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory																				
Newfoundland and Labrador	-14.4	2,790	3,260	2,790	2,730	0.0	14.3	14.3	14.4	14.3	4.2	375	360	341	317	-5.5	15.6	16.5	14.0	12.4
Prince Edward Island	0.0	960	960	1,030	910	1.4	14.3	14.1	14.7	14.1	-3.6	347	360	351	323	-7.1	5.2	5.6	4.8	4.4
Nova Scotia	5.4	5,880	5,580	6,140	5,940	0.0	14.5	14.5	14.4	14.4	2.3	349	341	333	319	0.7	28.9	28.7	29.5	28.1
New Brunswick	-2.7	4,700	4,830	4,970	4,780	-0.7	14.5	14.6	14.4	14.5	3.8	355	342	327	320	2.5	24.9	24.3	23.8	22.6
Quebec[3]	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A	0	0	0	0	0.0	0.4	0.4	0.3	0.1
Ontario	-3.2	84,290	87,040	87,930	86,830	0.0	14.6	14.6	14.6	14.6	2.4	377	368	356	345	-0.2	471.2	472.3	456.5	436.5
Manitoba	1.0	7,840	7,760	7,910	7,590	-0.7	14.6	14.7	14.7	14.7	3.0	348	338	326	314	-0.3	39.1	39.2	36.7	36.6
Saskatchewan	-5.1	6,880	7,250	7,070	6,800	0.0	14.7	14.7	14.6	14.6	5.2	361	343	332	324	1.6	37.5	36.9	33.8	31.4
Alberta	-1.6	28,200	28,670	27,920	27,070	0.0	14.6	14.6	14.6	14.6	1.6	376	370	356	343	-2.4	153.8	157.6	143.0	134.1
British Columbia	-1.3	26,330	26,680	26,170	25,120	0.7	14.6	14.5	14.7	14.6	3.7	360	347	342	330	1.5	139.8	137.7	130.3	122.2
Nunavut	15.0	230	200	240	190	5.0	14.8	14.1	14.6	14.8	4.8	433	413	356	370	0.0	1.3	1.3	1.1	1.2
Northwest Territories	-7.1	390	420	280	260	3.5	14.9	14.4	14.1	14.7	5.9	433	409	403	402	-3.8	2.5	2.6	1.6	1.7
Yukon	-35.7	180	280	200	240	-4.1	14.1	14.7	14.5	13.9	8.2	449	415	383	389	-29.4	1.2	1.7	1.0	1.4
Age																				
Under 25	-8.0	21,340	23,200	25,610	25,460	0.0	14.5	14.5	14.5	14.5	1.9	268	263	253	242	-8.6	85.3	93.3	94.5	90.4
25 and Over	-1.6	147,330	149,730	147,040	143,000	0.0	14.6	14.6	14.6	14.6	2.7	386	376	367	355	0.5	836.1	831.6	781.7	742.2
NATIONAL	**-2.5**	**168,670**	**172,930**	**172,650**	**168,460**	**0.0**	**14.6**	**14.6**	**14.6**	**14.6**	**2.8**	**371**	**361**	**350**	**338**	**-0.4**	**921.4**	**924.9**	**876.2**	**832.7**

Source: EI administrative data.

N/A: Not applicable.

[1] Includes claims for which at least $1 of maternity benefits was paid. Includes maternity claims paid to self-employed individuals from January to March 2011.

[2] Takes into account Family Supplement top-ups paid to claimants with maternity benefits.

[3] Quebec is excluded from national calculations. Since January 2006, this province has administered its own maternity benefits.

Annex 3.9: Parental Benefits (Biological)

	New Claims[1]					Average Number of Weeks Paid[2]					Average Weekly Benefit[3]					Amount Paid[3]				
	% Change					% Change					% Change	($)				% Change	($ Million)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory																				
Newfoundland and Labrador	-17.6	2,720	3,300	2,980	2,870	2.5	29.8	29.1	29.3	28.8	4.3	389	373	353	329	12.9	37.9	33.6	30.6	28.6
Prince Edward Island	3.9	1,060	1,020	1,190	950	-5.6	26.4	28.0	27.6	27.9	-2.3	363	371	358	326	-7.2	11.5	12.5	10.2	9.9
Nova Scotia	4.7	6,510	6,220	6,710	6,360	-0.7	28.1	28.3	28.3	28.3	3.3	368	357	349	335	-4.2	65.2	68.1	66.7	58.3
New Brunswick	1.3	5,330	5,260	5,410	5,400	-2.5	27.7	28.4	28.8	27.8	3.9	372	358	345	334	-1.7	55.9	56.8	53.8	50.2
Quebec[4]	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0
Ontario	-3.5	96,180	99,720	99,050	98,250	-0.6	29.3	29.5	29.8	29.4	2.9	386	376	365	353	-0.6	1,122.5	1,129.2	1,068.1	1,006.0
Manitoba	-0.2	8,830	8,850	9,100	8,610	0.9	29.8	29.5	30.4	29.3	2.4	360	351	337	328	-2.6	92.0	94.5	84.6	83.2
Saskatchewan	-2.7	7,620	7,830	7,810	7,340	-3.0	29.5	30.4	29.5	29.4	5.2	373	354	345	335	3.9	86.0	82.8	79.1	67.0
Alberta	-1.1	29,860	30,180	29,700	28,380	-0.6	30.6	30.8	30.8	30.8	1.8	384	378	364	351	-2.4	350.8	359.5	324.6	285.5
British Columbia	1.5	29,170	28,730	29,040	27,500	-1.5	29.4	29.9	29.6	29.6	3.9	374	360	354	343	0.5	326.6	325.1	299.5	278.4
Nunavut	50.0	300	200	270	220	-19.3	23.1	28.6	26.1	21.9	3.6	433	418	360	369	-2.5	2.9	2.9	1.9	2.6
Northwest Territories	4.4	470	450	370	340	11.1	27.1	24.4	24.5	26.4	5.0	438	418	404	410	17.2	5.0	4.3	4.0	4.4
Yukon	-37.5	200	320	250	260	-14.7	26.1	30.6	29.2	30.8	7.3	450	420	397	393	17.5	3.9	3.3	2.8	2.8
Gender																				
Male	3.0	26,350	25,590	25,820	24,140	-2.6	16.2	16.7	16.8	17.0	3.3	420	407	401	390	0.0	183.9	183.9	170.7	154.5
Female	-2.8	161,900	166,490	166,060	162,340	-0.3	31.5	31.6	31.7	31.3	2.8	375	365	353	342	-0.6	1,976.2	1,988.6	1,855.0	1,722.4
Age																				
Under 25	-8.7	21,250	23,270	25,330	25,300	-1.7	30.1	30.7	31.0	30.3	2.9	283	275	265	255	-10.9	197.0	221.1	213.0	193.9
25 and Over	-1.1	167,000	168,810	166,550	161,180	-0.7	29.3	29.5	29.7	29.4	2.7	394	384	374	363	0.6	1,963.1	1,951.4	1,812.7	1,683.0
NATIONAL	**-2.0**	**188,250**	**192,080**	**191,880**	**186,480**	**-0.8**	**29.4**	**29.7**	**29.8**	**29.5**	**3.0**	**382**	**371**	**360**	**348**	**-0.6**	**2,160.1**	**2,172.5**	**2,025.7**	**1,876.9**

Source: EI administrative data.

N/A: Not applicable.

[1] Includes claims for which at least $1 of parental benefits (biological) was paid. Includes parental claims (biological) paid to self-employed individuals from January to March 2011.

[2] Data on claim duration cover only claims commencing during the first half of the fiscal year to ensure that all claims were completed. Data assigns equal weight to both shared and non-shared parental claims.

[3] Takes into account Family Supplement top-ups paid to claimants with parental benefits (biological). Includes parental benefits (biological) paid to self-employed individuals from January to March 2011.

[4] Quebec is excluded from national calculations. Since January 2006, this province has administered its own parental benefits.

Annex 3.10: Parental Benefits (Adoptive)

	New Claims[1]					Average Number of Weeks Paid[2]					Average Weekly Benefit[3]					Amount Paid[3]				
	% Change 2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	($) 2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	($ Million) 2010/11	2009/10	2008/09	2007/08
Province/Territory																				
Newfoundland and Labrador	-50.0	10	20	10	10	0.0	35.0	35.0	0.0	0.0	2.2	457	447	435	423	-9.6	0.2	0.2	0.1	0.2
Prince Edward Island	-25.0	30	40	30	0	0.0	35.0	35.0	35.0	0.0	-0.6	444	447	439	0	-32.7	0.5	0.7	0.2	0.1
Nova Scotia	-27.3	80	110	140	60	14.6	25.9	22.6	32.8	33.0	3.9	439	422	383	387	-42.7	0.9	1.6	1.1	0.8
New Brunswick	150.0	50	20	70	90	N/A	15.3	0.0	20.6	26.6	57.7	453	287	403	398	-17.5	0.3	0.3	0.9	0.8
Quebec[4]	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A	0	0	0	0	N/A	0.0	0.0	0.0	0.0
Ontario	-30.8	720	1,040	960	990	-12.4	23.9	27.2	25.9	27.2	-0.4	427	429	412	382	-18.3	9.3	11.4	11.0	11.0
Manitoba	-37.5	50	80	170	90	30.6	35.0	26.8	29.7	25.8	0.7	370	367	415	410	-67.8	0.5	1.5	1.6	0.8
Saskatchewan	-55.6	40	90	70	110	76.8	33.0	18.7	22.0	21.6	-19.6	361	449	399	379	55.4	1.1	0.7	0.7	0.8
Alberta	-16.0	210	250	230	320	-13.8	22.4	26.0	26.2	27.4	4.2	444	426	424	383	-23.4	2.4	3.1	3.2	3.6
British Columbia	-6.7	280	300	380	420	-8.3	25.7	28.0	30.7	28.4	7.4	435	405	396	403	-32.7	3.2	4.7	4.9	4.6
Nunavut	-14.3	60	70	40	20	22.6	28.2	23.0	5.0	20.5	-3.0	419	431	402	415	2.6	0.8	0.8	0.1	0.4
Northwest Territories	N/A	0	0	0	10	N/A	0.0	0.0	0.0	18.0	N/A	0	0	0	423	N/A	0.0	0.0	0.0	0.4
Yukon	0.0	10	10	0	0	N/A	0.0	0.0	0.0	0.0	2.4	468	457	0	0	2,726.5	0.1	0.0	0.0	0.0
Gender																				
Male	-36.8	360	570	520	400	-18.8	15.9	19.6	16.9	18.2	-1.0	440	444	419	404	-29.1	3.6	5.0	4.1	2.9
Female	-19.2	1,180	1,460	1,580	1,720	-1.0	28.7	29.0	30.3	28.7	2.9	426	414	404	385	-21.8	15.7	20.0	19.6	20.7
Age																				
Under 25	200.0	30	10	10	20	N/A	35.0	0.0	0.0	25.0	152.1	434	172	435	243	94.9	0.3	0.2	0.1	0.1
25 and Over	-25.2	1,510	2,020	2,090	2,100	-7.6	24.8	26.9	26.8	26.8	1.3	429	424	408	390	-24.1	18.9	24.9	23.7	23.5
NATIONAL	**-24.1**	**1,540**	**2,030**	**2,100**	**2,120**	**-6.8**	**25.0**	**26.9**	**26.8**	**26.8**	**1.6**	**429**	**422**	**408**	**389**	**-23.3**	**19.2**	**25.1**	**23.8**	**23.6**

Source: EI administrative data.

N/A: Not applicable.

[1] Includes claims for which at least $1 of parental benefits (adoptive) was paid.

[2] Data on claim duration cover only claims commencing during the first half of the fiscal year to ensure that all claims were completed. Data assigns equal weight to both shared and non-shared parental claims.

[3] Takes into account Family Supplement top-ups paid to claimants with parental benefits (adoptive).

[4] Quebec is excluded from national calculations. Since January 2006, this province has administered its own parental benefits.

Annex 3.11: Sickness Benefits

	New Claims[1]					Average Number of Weeks Paid					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change 2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	($) 2010/11	2009/10	2008/09	2007/08	% Change 2009/10-2010/11	($ Million) 2010/11	2009/10	2008/09	2007/08
Province/Territory																				
Newfoundland and Labrador	-1.1	8,610	8,710	8,630	8,480	-0.1	9.2	9.2	9.5	9.3	4.3	346	332	321	302	0.1	29.0	29.0	27.0	24.1
Prince Edward Island	4.1	4,530	4,350	4,320	3,900	-2.6	7.3	7.5	7.8	8.0	-0.2	348	348	335	324	3.6	12.0	11.6	11.6	10.3
Nova Scotia	2.5	15,880	15,490	16,280	15,370	-0.1	9.1	9.1	8.7	9.1	3.8	335	323	322	308	-2.1	48.9	50.0	45.7	42.7
New Brunswick	2.2	21,030	20,570	20,570	20,090	2.5	8.2	8.0	8.0	8.0	3.5	346	334	323	315	1.0	61.2	60.6	55.9	49.3
Quebec	-3.1	95,590	98,620	98,330	97,100	1.6	8.8	8.7	8.8	8.9	2.8	340	331	323	312	-0.7	296.5	298.8	279.6	272.0
Ontario	-1.8	88,280	89,920	91,480	88,620	1.4	10.0	9.9	9.8	10.0	2.6	340	332	328	314	0.1	308.5	308.4	289.5	280.5
Manitoba	-3.7	10,290	10,680	10,370	9,430	0.6	9.6	9.6	9.9	9.8	3.0	339	329	317	313	-6.0	33.0	35.1	30.2	29.2
Saskatchewan	-1.3	7,020	7,110	6,730	6,410	-5.3	9.4	9.9	9.7	9.6	1.8	339	333	331	303	-2.2	22.5	23.1	20.8	19.1
Alberta	-3.4	22,450	23,250	23,710	21,600	-1.0	10.0	10.1	10.1	10.1	1.3	363	358	351	338	-5.0	85.4	89.9	79.4	73.3
British Columbia	-4.1	46,610	48,600	51,120	47,530	1.9	10.1	9.9	10.1	10.2	1.2	337	333	328	321	-0.3	165.3	165.7	166.7	152.1
Nunavut	-42.1	110	190	170	70	1.7	10.8	10.6	7.2	9.7	1.4	428	422	385	340	-44.2	0.5	0.8	0.4	0.3
Northwest Territories	47.8	340	230	230	250	-10.3	9.8	11.0	10.3	9.4	4.1	434	417	435	408	64.3	1.6	1.0	1.0	1.0
Yukon	2.9	360	350	280	270	15.3	9.4	8.1	10.6	7.6	4.1	436	419	405	370	25.0	1.5	1.2	1.0	1.1
Gender																				
Male	-2.3	133,220	136,290	141,760	131,950	1.7	9.1	8.9	9.1	9.1	2.2	379	370	367	354	-2.2	491.5	502.6	466.9	433.7
Female	-2.0	187,880	191,780	190,460	187,170	0.6	9.6	9.6	9.6	9.7	2.7	316	308	298	288	0.3	574.5	572.5	541.9	521.2
Age																				
Under 25	-2.1	27,960	28,560	29,760	28,940	2.1	8.3	8.2	8.5	8.4	2.8	282	275	273	259	-2.2	67.2	68.7	66.8	63.6
25 to 44	-3.1	138,460	142,930	146,700	144,100	0.4	9.1	9.0	9.1	9.2	2.6	349	340	332	322	-2.8	448.7	461.5	441.3	426.3
45 to 54	-3.1	85,120	87,860	90,390	85,180	2.6	9.8	9.5	9.5	9.7	2.6	353	344	339	324	-0.3	304.2	305.2	289.2	268.5
55 and Over	1.2	69,560	68,720	65,370	60,900	-0.3	10.1	10.2	10.1	10.3	1.8	338	332	326	316	2.6	245.9	239.8	211.4	196.4
NATIONAL	**-2.1**	**321,100**	**328,070**	**332,220**	**319,120**	**1.0**	**9.4**	**9.3**	**9.4**	**9.5**	**2.5**	**342**	**334**	**327**	**316**	**-0.9**	**1,066.0**	**1,075.2**	**1,008.8**	**954.9**

Source: EI administrative data.

[1] Includes claims for which at least $1 of sickness benefits was paid. Includes sickness claims paid to self-employed individuals from January to March 2011.

[2] Takes into account Family Supplement top-ups paid to claimants with sickness benefits. Includes sickness benefits paid to self-employed individuals from January to March 2011.

Annex 3.12: Compassionate Care Benefits

	New Claims[1]					Average Number of Weeks Paid					Average Weekly Benefit[2]					Amount Paid[2]				
	% Change					% Change					% Change	($)				% Change	($ 000s)			
	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08	2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory																				
Newfoundland and Labrador	16.1	72	62	67	69	-7.9	4.7	5.1	4.2	4.7	2.4	365	356	347	343	21.2	136.0	112.2	120.6	108.5
Prince Edward Island	-40.8	29	49	27	31	7.7	5.0	4.6	5.0	5.0	3.9	353	340	345	301	-28.2	61.7	85.9	50.0	54.2
Nova Scotia	3.9	213	205	206	219	2.9	5.0	4.9	4.8	4.8	7.6	344	319	335	316	12.6	371.8	330.1	337.3	364.6
New Brunswick	1.4	149	147	115	167	8.1	4.9	4.6	4.5	4.7	8.3	345	318	319	312	12.6	251.5	223.3	186.7	249.5
Quebec	-3.9	1,046	1,088	1,081	941	2.5	4.4	4.3	4.3	4.3	3.2	350	339	343	328	7.1	1,731.3	1,616.1	1,669.6	1,418.4
Ontario	3.8	2,667	2,570	2,525	2,418	0.4	4.8	4.8	4.8	4.8	2.5	369	360	357	343	5.5	4,957.7	4,697.5	4,358.3	4,175.1
Manitoba	18.3	265	224	236	236	-4.3	4.6	4.8	4.8	4.7	0.8	359	356	335	321	15.8	452.7	390.8	365.8	358.5
Saskatchewan	21.0	190	157	147	158	1.5	4.9	4.8	5.0	4.9	4.8	373	356	340	333	31.1	341.8	260.8	274.0	280.9
Alberta	-13.8	467	542	518	512	0.2	4.8	4.8	4.8	5.0	3.4	384	372	372	350	-6.3	924.9	986.9	916.6	925.4
British Columbia	-1.2	903	914	900	939	-0.7	4.8	4.8	4.8	4.8	-0.9	361	364	349	344	-3.1	1,669.4	1,723.1	1,546.2	1,589.3
Nunavut	75.0	7	4	3	3	11.4	5.6	5.0	5.7	5.0	1.7	457	450	439	423	53.6	17.8	11.6	4.8	8.7
Northwest Territories	-10.0	9	10	5	4	16.0	5.2	4.5	5.8	3.0	-3.3	420	434	437	423	9.6	22.6	20.6	11.3	5.1
Yukon	66.7	10	6	7	9	8.4	5.6	5.2	4.3	4.8	9.0	451	413	402	386	143.9	28.7	11.8	19.5	10.5
Gender																				
Male	-1.2	1,575	1,594	1,639	1,475	-1.9	4.7	4.8	4.8	4.8	2.2	399	391	383	375	-4.1	3,201.2	3,336.3	3,094.9	2,770.0
Female	1.6	4,452	4,384	4,198	4,231	1.7	4.7	4.7	4.7	4.7	2.7	351	342	339	326	8.9	7,766.7	7,134.3	6,765.9	6,778.9
Age																				
Under 25	-7.2	129	139	123	128	-8.7	4.4	4.9	4.9	4.4	1.6	306	301	316	287	-14.8	183.8	215.8	205.9	151.0
25 to 44	-2.8	2,275	2,341	2,323	2,294	0.5	4.7	4.7	4.6	4.7	1.9	374	367	362	351	-0.4	4,279.6	4,296.6	4,012.8	4,013.8
45 to 54	1.2	2,162	2,136	2,119	2,094	1.0	4.7	4.6	4.6	4.7	3.5	368	356	353	337	7.3	3,964.9	3,694.4	3,532.2	3,445.3
55 and Over	7.3	1,461	1,362	1,272	1,190	1.4	4.9	4.8	4.8	4.9	2.4	345	337	332	323	12.2	2,539.5	2,263.8	2,109.9	1,938.8
NATIONAL	**0.8**	**6,027**	**5,978**	**5,837**	**5,706**	**0.7**	**4.7**	**4.7**	**4.7**	**4.7**	**2.5**	**364**	**355**	**351**	**338**	**4.7**	**10,967.9**	**10,470.6**	**9,860.8**	**9,548.9**

Source: EI administrative data.

[1] Includes claims for which at least $1 of compassionate care benefits was paid.

[2] Takes into account Family Supplement top-ups paid to claimants with compassionate care benefits.

Annex 3.13: Family Supplement,[1] 2010/11

	New Claims[2] With Supplement	% of All Claims With Supplement	Average Weekly Top-Up ($)	Average Weekly Benefit ($)	Amount Paid				
					% Change	($ Million)			
					2009/10-2010/11	2010/11	2009/10	2008/09	2007/08
Province/Territory									
Newfoundland and Labrador	3,860	4.5	41.0	312	-10.6	5.31	5.94	5.44	6.46
Prince Edward Island	1,570	6.7	45.4	311	-8.7	2.00	2.19	1.98	1.99
Nova Scotia	6,230	7.2	41.3	294	-9.1	8.11	8.92	8.62	8.98
New Brunswick	5,530	6.1	39.1	302	-11.2	6.26	7.04	7.23	7.75
Quebec	24,750	4.9	40.5	313	-9.9	23.63	26.23	23.74	26.51
Ontario	36,740	6.5	43.0	291	-9.1	45.51	50.06	45.26	43.49
Manitoba	5,230	9.0	50.1	310	-15.2	7.10	8.37	7.06	7.38
Saskatchewan	3,850	8.7	47.0	310	-6.6	5.84	6.25	5.28	5.89
Alberta	7,420	4.9	42.3	303	-15.2	9.42	11.10	10.48	10.73
British Columbia	14,140	6.2	40.4	294	-3.7	16.20	16.82	14.76	15.99
Nunavut	90	5.6	37.3	375	-24.8	0.07	0.10	0.12	0.14
Northwest Territories	130	5.3	56.4	378	230.5	0.20	0.06	0.14	0.05
Yukon	50	2.0	35.3	376	-54.2	0.04	0.09	0.04	0.06
Gender									
Male	24,670	2.4	44.1	341	-12.1	26.37	30.01	24.83	26.83
Female	84,920	10.2	41.9	289	-8.7	103.32	113.16	105.32	108.56
Age									
Under 25	15,690	7.2	37.4	259	-12.1	20.02	22.77	23.03	23.28
25 to 44	76,580	8.5	44.8	308	-8.7	95.60	104.66	94.08	98.84
45 to 54	15,620	3.7	35.9	305	-10.6	12.71	14.21	11.90	12.10
55 and Over	1,700	0.5	33.7	303	-10.3	1.36	1.52	1.14	1.18
EI History[3]									
First-Time Claimants	59,530	7.4	42.9	287	-10.7	77.13	86.37	79.39	79.01
Occasional Claimants	33,280	6.3	43.0	310	-8.4	37.10	40.48	34.88	37.65
Frequent Claimants	16,780	3.3	38.5	331	-5.2	15.46	16.31	15.89	18.74
NATIONAL	**109,590**	**5.9**	**42.3**	**301**	**-9.4**	**129.69**	**143.16**	**130.15**	**135.40**

Source: EI administrative data.

[1] Includes all claim types (regular, fishing and special).

[2] Includes claims for which at least $1 of EI benefits was paid.

[3] First-time claimants are defined as individuals who did not have a claim in the five years prior to their current claim. Occasional claimants are defined as individuals who had fewer than three active claims in the five years prior to their current claim. Frequent claimants are defined as individuals who had three or more active claims in the five years prior to their current claim.

Annex 3.14: Working While on Claim[1]

	New Regular Claims[2]					% of New Regular Claims[2]			
	% Change 2008/09-2009/10	2009/10	2008/09	2007/08	2006/07	2009/10	2008/09	2007/08	2006/07
Province/Territory									
Newfoundland and Labrador	0.1	49,730	49,660	48,410	49,090	67.3	66.6	68.5	68.4
Prince Edward Island	5.0	12,910	12,290	11,130	11,830	67.5	65.6	62.8	66.5
Nova Scotia	5.5	46,300	43,870	39,130	40,120	65.4	62.0	61.8	62.0
New Brunswick	2.4	53,330	52,070	49,540	50,390	68.8	68.6	68.1	68.4
Quebec	0.6	314,070	312,130	272,230	284,130	62.8	61.2	59.7	60.0
Ontario	-6.5	244,040	260,960	173,370	177,270	49.3	47.6	44.7	45.3
Manitoba	21.4	22,080	18,190	14,750	16,490	50.7	45.2	45.2	47.0
Saskatchewan	18.5	17,390	14,680	11,970	14,880	50.1	46.5	45.4	48.9
Alberta	27.9	59,190	46,270	26,490	28,670	44.3	42.4	44.3	46.0
British Columbia	7.3	105,030	97,930	62,810	60,320	54.6	53.0	50.0	49.9
Nunavut	4.4	470	450	220	340	49.5	44.1	34.9	44.2
Northwest Territories	15.2	910	790	690	800	46.4	44.9	51.1	51.9
Yukon	-0.9	1,110	1,120	1,000	1,080	51.6	53.1	54.9	57.4
Gender									
Male	-3.3	553,610	572,590	421,090	431,730	54.5	54.2	53.3	53.6
Female	10.4	372,950	337,820	290,650	303,680	59.2	55.1	55.2	56.2
Age									
Under 25	7.5	102,010	94,870	70,410	73,790	52.9	50.7	50.6	51.0
25 to 44	0.3	424,110	422,960	333,970	359,070	56.2	54.6	54.1	55.0
45 to 54	0.1	260,740	260,550	205,390	203,480	62.4	59.9	59.4	59.7
55 and Over	5.8	139,700	132,030	101,970	99,070	49.7	48.6	47.5	47.8
Weekly Benefit Rate									
Less Than $50	8.3	130	120	80	50	35.1	34.3	40.0	23.8
$50-$100	22.9	2,470	2,010	2,040	2,880	46.3	43.2	44.6	49.4
$101-$150	4.0	13,580	13,060	13,870	18,420	50.2	48.2	49.9	50.8
$151-$200	3.6	41,470	40,030	40,300	51,410	49.9	48.4	48.4	50.5
Greater Than $200	1.6	868,910	855,190	655,450	662,650	56.8	55.0	54.6	55.1
NATIONAL	**1.8**	**926,560**	**910,410**	**711,740**	**735,410**	**56.3**	**54.6**	**54.1**	**54.7**

Source: EI administrative data.

[1] The definition of working while on claim includes all claimants who earned income during their EI benefits period.

[2] Data on working while on claim are lagged by one year to ensure all claims were completed.

Annex 3.15: Benefit Repayment Provision[1]

	People Who Repaid Benefits[2]					Amount Repaid[2]				
	% Change					% Change	($ Million)			
	2008-2009	2009	2008	2007	2006	2008-2009	2009	2008	2007	2006
Province/Territory										
Newfoundland and Labrador	-17.5	8,115	9,835	7,919	6,242	-12.3	13.3	15.2	12.0	9.3
Prince Edward Island	-31.4	751	1,094	1,038	985	-34.9	1.2	1.9	2.0	2.1
Nova Scotia	-13.7	5,924	6,868	6,328	6,318	-12.2	9.3	10.6	10.2	9.8
New Brunswick	-14.2	4,919	5,736	5,246	4,224	-5.7	7.2	7.7	7.1	5.8
Quebec	3.7	42,787	41,242	39,479	38,371	8.2	41.7	38.5	36.3	35.9
Ontario	8.9	59,627	54,754	50,923	51,292	37.6	67.1	48.7	40.8	42.4
Manitoba	25.4	2,789	2,224	2,204	2,209	47.2	3.3	2.3	2.1	2.1
Saskatchewan	20.1	4,430	3,689	3,674	3,516	30.0	5.2	4.0	3.9	3.4
Alberta	31.2	22,490	17,143	17,056	17,320	52.9	27.2	17.8	17.4	18.1
British Columbia	18.3	19,157	16,189	14,448	15,616	34.8	21.3	15.8	13.6	14.6
Nunavut	-50.0	2	4	3	2	-28.0	0.0	0.0	0.0	0.0
Northwest Territories	24.0	356	287	337	362	63.3	0.5	0.3	0.4	0.4
Yukon	7.7	350	325	321	320	8.6	0.4	0.4	0.4	0.3
Gender										
Male	7.9	152,912	141,743	132,883	130,514	21.0	178.6	147.6	132.9	131.0
Female	6.4	18,800	17,665	16,106	16,275	23.4	19.2	15.6	13.2	13.1
Age										
Under 25	-12.3	4,521	5,158	4,619	3,940	-2.8	4.8	5.0	4.2	3.4
25 to 44	7.9	74,010	68,588	69,298	64,100	23.8	78.1	63.1	62.4	56.8
45 to 54	9.1	54,303	49,766	43,355	44,567	23.8	62.1	50.2	41.4	41.9
55 and Over	8.3	38,878	35,896	31,717	34,182	17.5	52.8	45.0	38.2	42.0
NATIONAL[3]	**7.7**	**171,712**	**159,408**	**148,989**	**146,789**	**21.3**	**197.8**	**163.2**	**146.2**	**144.2**

Source: Benefit repayment administrative file (September 2011).

N/A: Not applicable.

[1] As benefit repayments are administered through the tax system, the most recent data available are for the 2009 taxation year.

[2] Data from previous years have been revised to reflect the revision of data for Nunavut.

[3] Provincial and territorial figures do not add up to the national total because non-residents are included.

Annex 3.16: Contributors to the Program, 2009[1]

	EI Premiums				Employment Income			Workers			
	Total		Employers[2]	Employees	Total Employment Income		Total EI Insurable Earnings	Number of Workers		Employment Income per Worker	Insurable Earnings per Worker
	($ Million)	% of National Total	($ Million)	($ Million)	($ Million)	% of National Total	($ Million)	Number	% of National Total	($)	($)
Province/Territory											
Newfoundland and Labrador	243	1.4	139	105	8,569	1.2	6,031	258,500	1.5	33,076	23,275
Prince Edward Island	71	0.4	40	30	2,301	0.3	1,754	80,530	0.5	28,534	21,754
Nova Scotia	471	2.8	266	205	16,479	2.3	11,835	487,650	2.8	33,780	24,249
New Brunswick	388	2.3	220	168	13,252	1.9	9,700	407,620	2.3	32,522	23,806
Quebec	3,151	18.5	1,760	1,391	141,037	19.9	100,785	4,058,690	23.0	34,741	24,825
Ontario	6,840	40.1	3,867	2,972	281,025	39.7	171,941	6,634,080	37.5	42,356	25,913
Manitoba	635	3.7	359	277	22,982	3.2	16,010	636,900	3.6	36,088	25,159
Saskatchewan	538	3.2	302	236	20,880	2.9	13,644	537,980	3.0	38,801	25,348
Alberta	2,397	14.1	1,354	1,043	110,423	15.6	60,349	2,206,100	12.5	50,097	27,392
British Columbia	2,236	13.1	1,268	968	87,917	12.4	55,944	2,292,680	13.0	38,340	24,388
Nunavut	21	0.1	12	9	908	0.1	529	20,460	0.1	44,475	26,046
Northwest Territories	37	0.2	21	16	1,695	0.2	935	32,120	0.2	52,945	29,325
Yukon	24	0.1	13	10	880	0.1	587	22,440	0.1	39,316	26,300
Gender[3]											
Male	9,357	54.9	5,285	4,072	431,299	60.9	246,683	9,040,530	51.1	47,641	27,228
Female	7,650	44.9	4,311	3,339	275,698	38.9	202,200	8,480,850	48.0	32,463	23,798
Age[3]											
Under 25	1,501	8.8	864	637	41,283	5.8	38,498	3,209,380	18.2	12,863	11,995
25 to 44	8,114	47.6	4,579	3,536	315,118	44.5	214,066	7,440,800	42.1	42,350	28,768
45 to 54	4,729	27.7	2,653	2,075	219,938	31.0	125,984	4,104,480	23.2	53,585	30,694
55 and Over	2,707	15.9	1,525	1,182	131,858	18.6	71,445	2,911,360	16.5	45,291	24,539
Industries											
Agriculture, Forestry, Fishing and Hunting	176	1.0	102	74	6,613	0.9	4,484	296,060	1.7	22,219	15,107
Mining, and Oil and Gas Extraction	314	1.8	176	139	20,114	2.8	8,156	224,420	1.3	89,954	36,836
Utilities	176	1.0	96	79	10,378	1.5	4,820	125,870	0.7	83,261	38,608

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Annex 3.16: Contributors to the Program, 2009[1] *(Continued)*

	EI Premiums				Employment Income			Workers			
	Total		Employers[2]	Employees	Total Employment Income		Total EI Insurable Earnings	Number of Workers		Employment Income per Worker	Insurable Earnings per Worker
	($ Million)	% of National Total	($ Million)	($ Million)	($ Million)	% of National Total	($ Million)	Number	% of National Total	($)	($)
Industries *(Continued)*											
Construction	1,162	6.8	674	488	48,512	6.8	29,312	1,112,190	6.3	43,732	26,463
Manufacturing	2,087	12.2	1,171	916	85,430	12.1	55,967	1,862,000	10.5	46,098	30,255
Wholesale Trade	910	5.3	516	395	40,675	5.7	23,976	851,750	4.8	47,869	28,214
Retail Trade	1,459	8.6	836	623	49,266	7.0	37,747	2,092,940	11.8	23,354	17,834
Transportation and Warehousing	781	4.6	439	343	30,792	4.3	20,721	713,520	4.0	43,195	29,083
Information and Cultural Industries	431	2.5	239	192	19,316	2.7	11,612	367,800	2.1	52,791	31,814
Finance and Insurance	809	4.7	447	362	43,737	6.2	21,935	699,040	4.0	62,620	31,543
Real Estate, and Rental and Leasing	256	1.5	147	109	11,743	1.7	6,570	292,950	1.7	39,652	22,267
Professional, Scientific and Technical Services	1,011	5.9	573	439	53,127	7.5	26,629	992,090	5.6	53,636	26,972
Management of Companies and Enterprises	133	0.8	74	58	9,444	1.3	3,517	128,320	0.7	73,837	27,533
Administrative and Support, Waste Management and Remediation Services	783	4.6	450	334	28,158	4.0	20,097	968,910	5.5	28,799	20,478
Educational Services	1,378	8.1	761	616	54,919	7.8	37,409	1,282,230	7.3	42,687	28,956
Health Care and Social Assistance	1,707	10.0	960	747	62,465	8.8	45,649	1,571,330	8.9	39,905	29,173
Arts, Entertainment and Recreation	198	1.2	113	84	7,339	1.0	5,115	300,690	1.7	24,182	16,716
Accommodation and Food Services	643	3.8	373	270	19,084	2.7	16,290	1,286,560	7.3	14,556	12,381
Other Services	604	3.5	349	255	21,462	3.0	15,331	717,610	4.1	29,726	21,201
Public Administration	1,929	11.3	1,066	863	80,942	11.4	52,053	1,593,160	9.0	51,041	32,904
Unclassified	106	0.6	61	44	4,833	0.7	2,656	196,310	1.1	23,810	13,197
NATIONAL	**17,053**	**100.0**	**9,623**	**7,430**	**708,347**	**100.0**	**450,045**	**17,675,750**	**100.0**	**40,075**	**25,460**

Source: Canada Revenue Agency, 2009 T4s with employment income.

N/A: Not applicable.

[1] As premium payments are administered through the tax system, the most recent data available are for the 2009 taxation year.

[2] Employer contributions are 1.4 times employee contributions.

[3] Gender and age figures do not add up to the national total because some data are missing for these categories.

Annex 3.17: Benefits-to-Contributions Ratios, 2009[1]

	Total EI Premiums		Total Regular Benefits		Total Income Benefits		Regular Benefits-to-Contributions Ratios	Total Income Benefits-to-Contributions Ratios	Adjusted Regular Benefits-to-Contributions Ratios[2]	Adjusted Total Income Benefits-to-Contributions Ratios[2]
	($ Million)	% of National Total	($ Million)	% of National Total	($ Million)	% of National Total			Canada = 1	Canada = 1
Province/Territory[3]										
Newfoundland and Labrador	243.5	1.4	737.1	5.5	949.7	5.1	3.0	3.9	3.9	3.6
Prince Edward Island	70.8	0.4	154.4	1.2	218.2	1.2	2.2	3.1	2.8	2.8
Nova Scotia	471.0	2.8	580.9	4.3	797.4	4.3	1.2	1.7	1.6	1.5
New Brunswick	388.2	2.3	630.3	4.7	832.7	4.5	1.6	2.1	2.1	2.0
Quebec[5]	3,150.8	18.5	3,498.3	26.2	4,025.8	21.5	0.8	1.3	1.1	1.2
Ontario	6,839.6	40.1	4,491.3	33.6	6,723.7	35.9	0.7	1.0	0.8	0.9
Manitoba	635.4	3.7	270.9	2.0	490.4	2.6	0.4	0.8	0.5	0.7
Saskatchewan	538.5	3.2	242.9	1.8	403.8	2.2	0.5	0.7	0.6	0.7
Alberta	2,397.2	14.1	1,136.0	8.5	1,857.8	9.9	0.5	0.8	0.6	0.7
British Columbia	2,235.8	13.1	1,563.6	11.7	2,325.8	12.4	0.7	1.0	0.9	0.9
Nunavut	21.2	0.1	10.7	0.1	16.9	0.1	0.5	0.8	0.6	0.7
Northwest Territories	37.3	0.2	21.9	0.2	30.9	0.2	0.6	0.8	0.7	0.8
Yukon	23.7	0.1	22.9	0.2	29.9	0.2	1.0	1.3	1.2	1.2
Gender[4]										
Male	9,357.4	54.9	9,182.8	68.7	10,775.8	57.6	1.0	1.2	1.3	1.0
Female	7,649.5	44.9	4,178.3	31.3	7,927.3	42.4	0.5	1.0	0.7	0.9
Age[4]										
Under 25	1,501.3	8.8	1,326.3	9.9	1,932.8	10.3	0.9	1.3	1.1	1.2
25 to 44	8,114.5	47.6	6,212.7	46.5	9,996.8	53.4	0.8	1.2	1.0	1.1
45 to 54	4,728.5	27.7	3,488.5	26.1	4,069.8	21.8	0.7	0.9	0.9	0.8
55 and Over	2,706.7	15.9	2,333.5	17.5	2,703.8	14.5	0.9	1.0	1.1	0.9

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Annex 3.17: Benefits-to-Contributions Ratios, 2009[1] *(Continued)*

	Total EI Premiums		Total Regular Benefits		Total Income Benefits		Regular Benefits-to-Contributions Ratios	Total Income Benefits-to-Contributions Ratios	Adjusted Regular Benefits-to-Contributions Ratios[2]	Adjusted Total Income Benefits-to-Contributions Ratios[2]
	($ Million)	% of National Total	($ Million)	% of National Total	($ Million)	% of National Total			Canada = 1	Canada = 1
Industries[3]										
Agriculture, Forestry, Fishing and Hunting	175.9	1.0	623.5	4.7	725.5	3.9	3.5	4.1	4.5	3.8
Mining, and Oil and Gas Extraction	314.4	1.8	410.1	3.1	475.3	2.5	1.3	1.5	1.7	1.4
Utilities	175.7	1.0	40.4	0.3	61.4	0.3	0.2	0.3	0.3	0.3
Construction	1,162.0	6.8	2,391.9	17.9	2,733.6	14.6	2.1	2.4	2.6	2.1
Manufacturing	2,086.6	12.2	2,881.9	21.6	3,751.3	20.1	1.4	1.8	1.8	1.6
Wholesale Trade	910.2	5.3	621.3	4.7	907.5	4.9	0.7	1.0	0.9	0.9
Retail Trade	1,459.3	8.6	719.5	5.4	1,130.6	6.0	0.5	0.8	0.6	0.7
Transportation and Warehousing	781.2	4.6	607.5	4.5	771.0	4.1	0.8	1.0	1.0	0.9
Information and Cultural Industries	431.0	2.5	167.4	1.3	266.5	1.4	0.4	0.6	0.5	0.6
Finance and Insurance	809.0	4.7	202.2	1.5	441.5	2.4	0.2	0.5	0.3	0.5
Real Estate, and Rental and Leasing	255.9	1.5	182.2	1.4	253.8	1.4	0.7	1.0	0.9	0.9
Professional, Scientific and Technical Services	1,011.4	5.9	691.0	5.2	967.6	5.2	0.7	1.0	0.9	0.9
Management of Companies and Enterprises	132.5	0.8	81.8	0.6	117.0	0.6	0.6	0.9	0.8	0.8
Administrative and Support, Waste Management and Remediation Services	783.5	4.6	893.5	6.7	1,192.6	6.4	1.1	1.5	1.5	1.4
Educational Services	1,377.5	8.1	565.6	4.2	973.0	5.2	0.4	0.7	0.5	0.6
Health Care and Social Assistance	1,707.1	10.0	317.2	2.4	965.4	5.2	0.2	0.6	0.2	0.5
Arts, Entertainment and Recreation	197.9	1.2	223.5	1.7	275.7	1.5	1.1	1.4	1.4	1.3

continued on next page

Annex 3.17: Benefits-to-Contributions Ratios, 2009[1] *(Continued)*

	Total EI Premiums		Total Regular Benefits		Total Income Benefits		Regular Benefits-to-Contributions Ratios	Total Income Benefits-to-Contributions Ratios	Adjusted Regular Benefits-to-Contributions Ratios[2]	Adjusted Total Income Benefits-to-Contributions Ratios[2]
	($ Million)	% of National Total	($ Million)	% of National Total	($ Million)	% of National Total			Canada = 1	Canada = 1
Industries[3] *(Continued)*										
Accommodation and Food Services	643.1	3.8	532.5	4.0	760.8	4.1	0.8	1.2	1.1	1.1
Other Services	604.4	3.5	415.0	3.1	605.2	3.2	0.7	1.0	0.9	0.9
Public Administration	1,928.6	11.3	538.4	4.0	1,000.2	5.3	0.3	0.5	0.4	0.5
Unclassified	105.7	0.6	254.6	1.9	327.5	1.8	2.4	3.1	3.1	2.8
NATIONAL	**17,053.0**	**100.0**	**13,361.1**	**100.0**	**18,703.1**	**100.0**	**0.8**	**1.1**	**1.0**	**1.0**

Source: Canada Revenue Agency, 2009 T4s with employment income; EI administrative data.

N/A: Not applicable.

[1] As premium payments are administered through the tax system, the most recent data available are for the 2009 taxation year.

[2] For ease of analysis, the benefits-to-contributions ratios have been adjusted so that the national figure equals one.

[3] Province, territory and industry are determined by the location of the employer for premiums and of the claimant for benefits.

[4] Gender and age figures do not add up to the national total because some data are missing for these categories.

[5] The calculation of Quebec's regular benefits-to-contributions ratio and adjusted regular benefits-to-contributions ratio takes into consideration that employers and employees in the province do not pay EI premiums for maternity and parental benefits, due to the presence of the Quebec Parental Insurance Plan (QPIP). To account for this, the EI contributions from Quebec, which is the denominator of the two ratios, has been modified upward to estimate how much employers and employees in Quebec would pay in EI premiums if they had to contribute for EI maternity and parental benefits. The ratios reported for Quebec in the 2008 to 2010 EI Monitoring and Assessment (M&A) Report(s) did not take into account this modification. With this modification, the regular benefits-to-contributions ratio for Quebec changes from 0.9 to 0.7 in 2008 (2010 M&A Report), 0.9 to 0.7 in 2007 (2009 M&A Report), and 0.9 to 0.7 in 2006 (2008 M&A Report). The adjusted regular benefits-to-contributions ratio for Quebec changes from 1.7 to 1.3 in 2008 (2010 M&A Report), 1.9 to 1.4 in 2007 (2009 M&A Report), and 1.8 to 1.4 in 2006 (2008 M&A Report).

ANNEX 4

EMPLOYMENT BENEFITS AND SUPPORT MEASURES DATA TABLES

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Annex 4.1: Overview of Labour Market Development Agreements[1]

Province/Territory	Signature Date	Implementation Date	Allocation ($000s)[2]				
			2011/12	2010/11		2009/10	
				LMDA	EAP[3]	LMDA	EAP[3]
Newfoundland and Labrador	September 4, 2008	November 2, 2009	131,944	133,092	12,920	133,352	14,652
Prince Edward Island	September 5, 2008	October 5, 2009	27,138	27,301	2,931	27,163	3,731
Nova Scotia	June 13, 2008	July 1, 2009	80,269	80,991	15,198	81,250	16,760
New Brunswick	December 13, 1996	April 1, 1997	91,078	92,151	11,307	92,311	14,532
Quebec	April 21, 1997	April 1, 1998	589,155	596,186	113,779	598,398	130,594
Ontario	November 23, 2005	January 1, 2007	552,689	544,816	211,942	538,215	210,683
Manitoba	April 17, 1997	November 27, 1997	44,818	45,319	11,532	45,821	11,609
Saskatchewan	February 6, 1998	January 1, 1999	37,766	38,133	8,617	38,471	9,290
Alberta	December 6, 1996	November 1, 1997	106,925	104,062	47,469	104,662	34,187
British Columbia	February 20, 2008	February 2, 2009	278,689	278,262	62,859	280,621	52,374
Northwest Territories	February 27, 1998	October 1, 1998	3,193	3,241	514	3,273	443
Yukon	July 8, 2009	February 1, 2010	3,537	3,589	418	3,651	422
Nunavut	May 11, 2000	April 1, 2000	2,799	2,857	514	2,812	723
Canada			**1,950,000**	**1,950,000**	**500,000**	**1,950,000**	**500,000**

[1] This Annex shows status of the agreements as of March 31, 2011.

[2] Funds that are transferred to cover administrative costs are not included in the amounts. Please refer to Annex 4.12 for administrative costs.

[3] LMDA funds allocated to the provinces and territories under the Economic Action Plan (EAP) totalled $1 billion over two years.

Annex 4.2: Employment Insurance (EI) Part II: General Definitions

Eligibility for Employment Benefits and Support Measures (EBSMs) or Similar Programs Funded Under Part II

To be eligible for Employment Benefits, individuals must be unemployed and have a current Employment Insurance (EI) claim as an "active EI client" or a claim that ended in the preceding three years as a "former EI client." Those who began a maternity or parental claim in the preceding five years, after which they left the labour market to care for their newborn or newly adopted children, also qualify as former EI clients and are eligible for Employment Benefits upon re-entry into the labour market. Unemployed individuals who are neither active nor former EI clients are considered "non-insured" and are eligible to participate in Employment Assistance Services as well as self-services provided by the National Employment Service.

Labour Market Development Agreements (LMDAs

LMDAs provide the frameworks within which EBSM delivery takes place. EBSMs are flexible by design, allowing provincial and territorial jurisdictions (P/Ts) to develop and deliver programs that respond to local and regional labour market needs. With the implementation of the Canada-Yukon LMDA on February 1, 2010, all provinces and territories are now fully responsible for the design and delivery of programs similar to EBSMs established under Part II of the *EI Act*. In support of these activities, Human Resources and Skills Development Canada (HRSDC) transfers LMDA funding to the provinces and territories and focuses on accountability, evaluation and ongoing policy development. HRSDC also delivers Pan-Canadian programming and maintains, in partnership with the provinces and territories, specific projects and activities in the national interest under Part II of the *EI Act*. Canada retains responsibility for the delivery of insurance benefits under Part I of the EI Act and for the aspects of labour market development reflective of national interests. For more information on LMDAs, please refer to: **http://www.hrsdc.gc.ca/eng/employment/partnerships/labour_market_development/index.shtml**.

Apprentices

Apprentices are paid by their employer during periods of practical training. During the classroom portion of their training, apprentices are eligible for regular benefits under Part I of the EI Act. The apprentice requires a referral under the authority of Section 25 of the *EI Act* to access these benefits. Depending on the regional and local priorities of the province or territory, the apprentice may receive EI Part II support to cover classroom-related expenses.

Aboriginal Skills and Employment Training Strategy (ASETS)

HRSDC negotiates agreements with Aboriginal organizations to design and deliver employment programs and services for Aboriginal people at the community level. Aboriginal Skills and Employment Training Strategy (ASETS) is the successor to the Aboriginal Human Resources Development Strategy (AHRDS), which expired on March 31, 2010.

The sunsetting of AHRDS and the modernization of HRDSC's Aboriginal labour market programming–through ASETS–coincides with HRSDC's process of modernizing the administration of grants and contributions. The ASETS advances labour market outcomes for First Nations, Métis, and Inuit via demand-driven skills development, strategic partnerships with provinces, territories and the private sector, and via increased accountability. It also supports the development of a skilled Aboriginal workforce, which is one of the Aboriginal Economic Development Framework's objectives.

Job Bank

Job Bank is an Internet service that helps connect employers and workers. It is the largest web-based network of job advertisements across Canada and is available to Canadian employers and job seekers free of charge. See **http://jb-ge.hrdc-drhc.gc.ca**.

Annex 4.3: EBSMs: Program Descriptions

Employment Benefits

Targeted Wage Subsidies assist insured participants to obtain on-the-job work experience by providing employers with financial assistance toward the wages of participants. This benefit encourages employers to hire unemployed individuals whom they would not normally hire in the absence of a subsidy.

Self-Employment provides financial assistance and business planning advice to EI-eligible participants to help them start their own business. This financial assistance is intended to cover personal living expenses and other expenses during the initial stages of the business.

Job Creation Partnerships projects provide insured participants with opportunities to gain work experience that will lead to ongoing employment. Activities of the project help develop the community and the local economy.

Skills Development helps insured participants to obtain employment skills by giving them direct financial assistance that enables them to select, arrange for and pay for their own training.

Targeted Earnings Supplements encourage unemployed persons to accept employment by offering them financial incentives. Quebec offers a similar measure–Return to Work Supplement–to help with expenses related to returning to work (for example, new tools, office materials or clothing).

Support Measures

Employment Assistance Services provide funding to organizations to enable them to provide employment assistance to unemployed persons. The services provided may include individual counselling, action planning, job search skills, job-finding clubs, job placement services, the provision of labour market information, case management and follow-up.

Labour Market Partnerships provide funding to help employers, employee and employer associations, and communities to improve their capacity to deal with human resource requirements and to implement labour force adjustments. These partnerships involve developing plans and strategies, and implementing adjustment measures.

Research and Innovation supports activities that identify better ways of helping people to prepare for or keep employment and to be productive participants in the labour force. Funds are provided to eligible recipients to enable them to carry out demonstration projects and research for this purpose.

Annex 4.4: EBSM Overview[1]

Clients Served[2]	
2010/11	
Gender	
Men	56.8%
Women	43.2%
Age[3]	
15 to 19	5.2%
20 to 24	14.2%
25 to 29	13.6%
30 to 34	12.3%
35 to 39	11.7%
40 to 44	11.4%
45 to 49	11.6%
50 to 54	9.3%
55 and Older	9.5%
Unknown	1.3%
EI Clients Served	
Active Claimants	76.5%
Former Claimants	23.5%
Intervention-to-Client Ratio	
Clients	756,046
Interventions	1,175,519
Ratio	1.55

Participation in Interventions as a Percentage of Total	
2010/11	
Employment Benefits	
Targeted Wage Subsidies	1.1%
Self-Employment	1.0%
Job Creation Partnerships	0.4%
Skills Development-Regular	8.1%
Skills Development-Apprentices	5.4%
Targeted Earning Supplements	0.6%
Support Measures: Employment Assistance Services	
Employment Services	51.9%
Group Services	4.4%
Individual Counselling	25.8%
Pan-Canadian	1.4%
Designated Group Participation in EBSMs	
Women	46.8%
Aboriginal People[4]	5.9%
Persons with Disabilities[4]	5.8%
Visible Minorities[4]	6.4%
Labour Market	
Employment	17,121,300
Unemployment Rate	7.9%

Sources: Client and Participant datasets.

[1] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client, as a result, year-over-year comparisons of client data are not possible. Also, 79,227 clients and 137,041 interventions are not recorded in the Client and Participant datasets due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model. Estimates provided by the Province of Ontario were included in all calculations except age.

[2] Clients with an unknown gender were added to the male category.

[3] SD-Apprentices and Group Services are excluded from the distribution because client date of birth is not collected.

[4] Reported counts are generally lower than actual numbers because data are collected through self-identification.

Annex 4.5: EBSM Clients Clients Served, by Client Type[1]

	2010/11					
	EI Clients					
	EI Active Claimants					
Provinces and Territories	Target[2]	Active Claimants Served	Former Claimants Served	Total EI Clients Served	Non-Insured Clients Served	Total Clients Served
Newfoundland and Labrador	13,284	11,215	2,748	13,963	2,171	16,134
Prince Edward Island	4,553	2,882	572	3,454	1,071	4,525
Nova Scotia	12,000	11,437	3,407	14,844	4,429	19,273
New Brunswick	12,100	12,076	2,741	14,817	5,001	19,818
Quebec	169,239	130,782	23,288	154,070	37,859	191,929
Ontario[3]	112,700	70,901	28,703	99,604	92,788	192,392
Manitoba	14,500	15,110	3,875	18,985	14,153	33,138
Saskatchewan	8,725	10,414	2,471	12,885	577	13,462
Alberta	58,000	48,917	22,683	71,600	72,284	143,884
British Columbia	45,000	51,433	16,828	68,261	38,415	106,676
Northwest Territories	478	413	134	547	388	935
Yukon	275	289	56	345	176	521
Nunavut	200	109	73	182	38	220
National Headquarters	–	–	–	–	–	–
Total EBSMs	–	**365,978**	**107,579**	**473,557**	**269,350**	**742,907**
Aboriginal Pan-Canadian	15,000	6,362	6,777	13,139	–	13,139
Canada	–	**372,340**	**114,356**	**486,696**	**269,350**	**756,046**

Source: Client dataset.

[1] This table includes clients served between April 1, 2010, and March 31, 2011, with one count per client served.

[2] Each jurisdiction's target refers to the number of EI active clients served, except in Quebec, where it includes both active and former clients served.

[3] The Province of Ontario provided estimates for 79,227 clients due to transition issues with the implementation of the new Employment Ontario Information System.

Annex 4.6[1]: New EBSM Interventions

	2010/11													
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.[2]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	695	377	203	1,221	5,304	1,126	257	377	105	2,727	46	11	2	–	12,451
Self-Employment	208	184	537	257	2,132	5,405	284	164	408	1,870	25	10	1	–	11,485
Job Creation Partnerships	1,792	226	192	–	–	984	207	–	669	205	–	4	–	–	4,279
Skills Development-Regular	4,193	1,340	3,467	7,058	33,887	28,287	4,412	1,862	3,458	6,299	207	79	101	–	94,650
Skills Development-Apprentices	2,025	367	1,406	2,749	–	16,416	3,670	6,493	19,383	11,185	164	139	50	–	64,047
Targeted Earning Supplements	–	–	–	–	7,559	–	–	–	–	–	–	–	–	–	7,559
Total Employment Benefits	**8,913**	**2,494**	**5,805**	**11,285**	**48,882**	**52,218**	**8,830**	**8,896**	**24,023**	**22,286**	**442**	**243**	**154**	**–**	**194,471**
Support Measures: EAS															
Employment Services	–	1,992	16,830	8,285	116,640	69,255	17,448	1,341	310,070	67,965	–	304	76	–	610,206
Group Services	–	–	173	–	50,066	656	–	442	–	82	–	–	–	–	51,419
Individual Counselling	14,020	1,384	15,659	17,273	139	143,838	24,602	6,895	–	78,780	855	12	–	–	303,457
Total Support Measures: EAS	**14,020**	**3,376**	**32,662**	**25,558**	**166,845**	**213,749**	**42,050**	**8,678**	**310,070**	**146,827**	**855**	**316**	**76**	**–**	**965,082**
Total Support Measures: EAS-Without Group Services	14,020	3,376	32,489	25,558	116,779	213,093	42,050	8,236	310,070	146,745	855	316	76	–	913,663
Total Benefits and Support Measures: EAS	**22,933**	**5,870**	**38,467**	**36,843**	**215,727**	**265,967**	**50,880**	**17,574**	**334,093**	**169,113**	**1,297**	**559**	**230**	**–**	**1,159,553**
Aboriginal Pan-Canadian	101	77	314	76	867	4,906	3,571	739	1,220	3,806	72	60	60	97	15,966
Grand Total-Benefits and Support Measures: EAS	**23,034**	**5,947**	**38,781**	**36,919**	**216,594**	**270,873**	**54,451**	**18,313**	**335,313**	**172,919**	**1,369**	**619**	**290**	**97**	**1,175,519**
Grand Total-Without Group Services	23,034	5,947	38,608	36,919	166,528	270,217	54,451	17,871	335,313	172,837	1,369	619	290	97	1,124,100

Source: Participant dataset.

[1] Interventions in this table refer to all new starts between April 1, 2010 and March 31, 2011.

[2] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client. As a result, year-over-year comparisons of client data are not possible. Also, 137,041 interventions are not recorded in the Participant dataset due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model.

Annex 4.7: EBSM Designated Members: Women[1]

New Starts, by Intervention (%)–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.[2]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	55.1	49.3	51.7	34.0	43.0	41.1	32.3	1.8	60.0	53.9	13.0	81.8	–	–	45.0
Self-Employment	54.8	37.0	53.3	33.9	39.4	45.4	36.3	42.1	46.8	61.2	48.0	70.0	–	–	46.8
Job Creation Partnerships	54.5	29.2	55.7	–	–	57.0	43.0	–	50.8	49.3	–	50.0	–	–	52.4
Skills Development-Regular	55.0	50.1	58.1	47.6	44.9	46.8	50.1	45.2	55.6	59.2	21.3	55.7	35.6	–	48.2
Skills Development-Apprentices	4.2	4.4	2.8	2.3	–	2.8	1.9	3.2	5.6	4.1	2.4	10.1	4.0	–	3.9
Targeted Earning Supplements	–	–	–	–	43.0	–	–	–	–	–	–	–	–	–	43.0
Total Employment Benefits	**43.4**	**40.4**	**44.0**	**34.8**	**44.2**	**32.9**	**28.9**	**14.2**	**15.0**	**31.0**	**14.9**	**31.3**	**24.7**	**–**	**33.2**
Support Measures: EAS															
Employment Services	–	52.2	56.1	49.6	45.9	44.3	48.7	48.8	48.2	55.5	–	51.6	35.5	–	48.4
Individual Counselling	54.6	53.2	57.8	46.8	39.6	51.8	48.3	39.6	–	56.1	34.3	33.3	–	–	52.5
Total Support Measures: EAS	**54.6**	**52.6**	**56.9**	**47.7**	**45.9**	**49.4**	**48.5**	**41.1**	**48.2**	**55.8**	**34.3**	**50.9**	**35.5**	**–**	**49.8**
Aboriginal Pan-Canadian	37.6	45.5	35.7	57.9	43.3	47.2	49.8	49.4	31.0	34.6	54.2	48.3	33.3	41.2	43.1
Grand Total, Benefits and Support Measures: EAS	**50.2**	**47.4**	**54.8**	**43.8**	**45.4**	**46.2**	**45.4**	**28.0**	**45.8**	**52.1**	**29.1**	**43.0**	**29.3**	**41.2**	**46.8**

Source: Participant dataset.

[1] All percentages are based on new start interventions only (the number of interventions started in 2010/11).

[2] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client. As a result, year-over-year comparisons of client data are not possible. The Province of Ontario provided estimates for clients participating in 137,041 interventions not recorded in the Participant dataset due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model.

Annex 4.8: EBSM Designated Members: Persons with Disabilities[1]

New Starts, by Intervention (%)–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.[2]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	1.7	2.1	30.0	2.6	3.4	4.4	3.5	1.8	1.9	5.0	–	18.2	–	–	4.0
Self-Employment	–	1.1	9.5	1.2	1.4	1.7	2.8	3.0	1.5	3.2	–	50.0	–	–	2.2
Job Creation Partnerships	1.3	1.8	12.5	–	–	2.3	2.4	–	3.0	5.4	–	100.0	–	–	2.7
Skills Development-Regular	1.6	1.7	14.8	3.0	2.7	1.2	3.5	6.7	0.8	6.1	–	8.9	1.0	–	3.0
Skills Development-Apprentices	0.1	–	0.3	0.3	–	–	0.1	1.4	–	0.1	1.2	–	–	–	0.2
Targeted Earning Supplements	–	–	–	–	3.2	–	–	–	–	–	–	–	–	–	3.2
Total Employment Benefits	**1.2**	**1.5**	**11.2**	**2.3**	**2.8**	**1.0**	**2.0**	**2.7**	**0.3**	**2.7**	**0.5**	**7.4**	**0.6**	**–**	**2.1**
Support Measures: EAS															
Employment Services	–	9.3	19.0	10.1	8.9	7.7	6.3	13.2	2.8	8.9	–	7.6	–	–	5.9
Individual Counselling	0.5	4.7	25.2	7.9	1.4	5.8	4.8	9.9	–	11.2	1.1	91.7	–	–	8.1
Total Support Measures: EAS	**0.5**	**7.4**	**22.0**	**8.6**	**8.9**	**6.4**	**5.4**	**10.5**	**2.8**	**10.1**	**1.1**	**10.8**	**–**	**–**	**6.6**
Aboriginal Pan-Canadian	5.9	1.3	6.4	2.6	0.2	0.6	0.8	1.1	3.8	1.0	–	1.7	6.7	3.1	1.2
Grand Total, Benefits and Support Measures: EAS	**0.8**	**4.9**	**20.3**	**6.7**	**7.1**	**5.3**	**4.6**	**6.2**	**2.7**	**9.0**	**0.8**	**8.6**	**1.7**	**3.1**	**5.8**

Source: Participant dataset.

[1] All percentages are based on new start interventions only (the number of interventions started in 2010/11). These reported counts are generally lower than actual numbers because data are collected through self-identification.

[2] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client. As a result, year-over-year comparisons of client data are not possible. The Province of Ontario provided estimates for clients participating in 137,041 interventions not recorded in the Participant dataset due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model.

Annex 4.9: EBSM Designated Members: Aboriginal People[1]

New Starts, by Intervention (%)–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.[2]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	1.4	0.8	2.5	–	0.1	2.4	7.0	70.9	5.7	4.4	23.9	–	100.0	–	2.0
Self-Employment	1.4	–	1.7	–	–	1.0	9.5	8.5	2.2	4.8	36.0	40.0	–	–	1.9
Job Creation Partnerships	1.3	0.4	1.6	–	–	3.0	10.6	–	6.1	19.5	–	–	–	–	3.7
Skills Development-Regular	1.5	0.6	2.2	–	0.1	0.6	9.3	9.0	1.7	6.7	32.9	8.9	91.1	–	1.7
Skills Development-Apprentices	–	–	0.4	–	–	0.1	1.5	2.1	0.1	0.3	2.4	–	2.0	–	0.4
Targeted Earning Supplements	–	–	–	–	0.1	–	–	–	–	–	–	–	–	–	0.1
Total Employment Benefits	**1.1**	**0.5**	**1.7**	**–**	**0.1**	**0.6**	**6.0**	**4.3**	**0.6**	**3.2**	**20.8**	**4.5**	**61.7**	**–**	**1.3**
Support Measures: EAS															
Employment Services	–	0.5	1.0	–	0.1	3.8	9.5	21.3	7.7	6.4	–	10.9	86.8	–	5.5
Individual Counselling	0.3	0.5	1.7	–	–	3.2	7.3	12.4	–	8.2	61.4	8.3	–	–	4.8
Total Support Measures: EAS	**0.3**	**0.5**	**1.4**	**–**	**0.1**	**3.4**	**8.2**	**13.8**	**7.7**	**7.4**	**61.4**	**10.8**	**86.8**	**–**	**5.2**
Aboriginal Pan-Canadian	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Grand Total, Benefits and Support Measures: EAS	**1.0**	**1.8**	**2.2**	**0.2**	**0.6**	**4.6**	**13.9**	**12.7**	**7.5**	**8.9**	**50.3**	**17.0**	**76.2**	**100.0**	**5.9**

Source: Participant dataset.

[1] All percentages are based on new start interventions only (the number of interventions started in 2010/11). These reported counts are generally lower than actual numbers because data are collected through self-identification.

[2] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client. As a result, year-over-year comparisons of client data are not possible. The Province of Ontario provided estimates for clients participating in 137,041 interventions not recorded in the Participant dataset due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model.

Annex 4.10: EBSM Designated Members[1]: Visible Minorities[2]

New Starts, by Intervention (%)–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.[3]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	1.3	2.7	4.9	–	–	7.3	7.0	1.8	1.0	8.4	6.5	–	–	–	3.0
Self-Employment	0.5	1.1	2.4	–	–	6.0	6.3	0.6	1.5	8.8	4.0	–	–	–	4.6
Job Creation Partnerships	1.2	2.2	4.2	–	–	4.0	9.2	–	4.0	7.3	–	–	–	–	3.2
Skills Development-Regular	0.4	2.1	6.7	–	–	6.1	20.9	4.4	8.3	9.9	5.8	5.1	2.0	–	4.2
Skills Development-Apprentices	0.1	–	–	–	–	0.1	0.5	0.8	–	0.2	–	–	–	–	0.2
Targeted Earning Supplements	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Employment Benefits	**0.6**	**1.8**	**4.5**	**–**	**–**	**4.2**	**11.3**	**1.7**	**1.4**	**4.7**	**3.6**	**1.6**	**1.3**	**–**	**2.6**
Support Measures: EAS															
Employment Services	–	15.7	5.2	–	–	15.2	14.2	8.5	3.0	22.8	–	1.0	3.9	–	6.4
Individual Counselling	0.2	2.6	4.8	–	–	10.7	20.8	6.0	–	6.4	12.7	8.3	–	–	8.9
Total Support Measures: EAS	**0.2**	**10.3**	**5.0**	**–**	**–**	**12.2**	**18.0**	**6.4**	**3.0**	**14.0**	**12.7**	**1.3**	**3.9**	**–**	**7.2**
Aboriginal Pan-Canadian[4]	–	–	2.9	2.6	2.5	1.7	0.5	–	0.1	10.6	–	5.0	–	11.3	3.5
Grand Total-Benefits and Support Measures: EAS	**0.3**	**6.6**	**4.9**	**–**	**–**	**10.4**	**15.8**	**3.8**	**2.9**	**12.7**	**9.1**	**1.8**	**1.7**	**11.3**	**6.4**

Source: Participant dataset.

[1] Quebec, New Brunswick, and NHQ did not report participation levels for members of the visible minority groups. Therefore, these jurisdictions were excluded from the calculation of the national average.

[2] All percentages are based on new start interventions only (the number of interventions started in 2010/11). These reported counts are generally lower than actual numbers because data are collected through self-identification.

[3] The Province of Ontario made major changes to its reporting methodology and currently only counts one individual counselling intervention per client. As a result, year-over-year comparisons of client data are not possible. The Province of Ontario provided estimates for clients participating in 137,041 interventions not recorded in the Participant dataset due to transition issues with the implementation of the new Employment Ontario Information System and the new Employment Service model.

[4] Some Aboriginal clients self-identified as being members of visible minority groups.

Annex 4.11: EBSM and Pan-Canadian Activities: Part I—Final Expenditures

In $000s, by Intervention–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Self-Employment	1,087	1,316	2,281	3,010	13,261	7,504	2,488	956	3,223	9,642	480	20	–	–	**45,268**
Job Creation Partnerships[1]	2,182	352	311	13	229	1,226	388	–	5	450	–	–	–	–	**5,156**
Skills Development	22,218	8,437	14,076	41,045	86,989	88,747	29,773	22,418	86,999	56,433	1,556	1,129	392	–	**460,211**
TOTAL	**25,488**	**10,104**	**16,668**	**44,068**	**100,478**	**97,478**	**32,649**	**23,374**	**90,227**	**66,525**	**2,036**	**1,149**	**392**	**–**	**510,635**

Source: Corporate Management System.

[1] In Quebec, this amount refers only to Pan-Canadian activities.

Annex 4.12: EBSM Part II—Final Expenditures

In $000s, by Intervention–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.[4]	N.W.T.[5]	Yk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	6,670	2,736	1,219	5,119	31,521	2,836	1,351	2,826	847	20,063	155	76	356	–	**75,775**
Self-Employment	5,568	1,331	8,392	3,474	27,685	39,534	1,504	534	3,335	32,064	184	86	–	–	**123,692**
Job Creation Partnerships	14,726	3,185	2,412	–	–	8,590	1,907	–	5,859	4,256	–	–	–	–	**40,935**
Skills Development	98,706	16,389	60,974	83,725	388,910	290,099	37,300	32,702	104,361	130,366	1,772	2,068	1,387	–	**1,248,759**
Targeted Earning Supplements	–	–	–	–	3,889	–	–	–	–	–	–	–	–	–	**3,889**
Total Employment Benefits	**125,670**	**23,640**	**72,997**	**92,318**	**452,006**	**341,059**	**42,062**	**36,062**	**114,402**	**186,749**	**2,111**	**2,230**	**1,744**	**–**	**1,493,050**
Support Measures (Services)															
Employment Assistance	16,129	4,790	22,138	8,580	135,219	392,866	9,398	6,897	36,163	130,008	957	1,242	–	–	**764,385**
Total Support Measures (Services)	**16,129**	**4,790**	**22,138**	**8,580**	**135,219**	**392,866**	**9,398**	**6,897**	**36,163**	**130,008**	**957**	**1,242**	**–**	**–**	**764,385**
Sub-Total : Employment Benefits and Support Measures (Services)	**141,799**	**28,430**	**95,135**	**100,897**	**587,225**	**733,925**	**51,460**	**42,958**	**150,565**	**316,757**	**3,068**	**3,472**	**1,744**	**–**	**2,257,435**
Other Support Measures															
Labour Market Partnerships	4,109	1,802	1,054	2,399	122,472	22,833	4,595	3,026	966	4,555	243	127	–	–	**168,182**
Research and Innovation	–	–	–	162	268	–	796	765	–	–	–	–	24	–	**2,015**
Total Other Support Measures	**4,109**	**1,802**	**1,054**	**2,561**	**122,740**	**22,833**	**5,391**	**3,792**	**966**	**4,555**	**243**	**127**	**24**	**–**	**170,197**
Total EBSM– Part II	**145,908**	**30,232**	**96,189**	**103,458**	**709,965**	**756,758**	**56,851**	**46,750**	**151,531**	**321,312**	**3,311**	**3,598**	**1,768**	**–**	**2,427,632**
Overcontribution[1]	104	-	-	–	–	–	–	–	–	19,809	444	409	1,603	–	**22,368**
Pan-Canadian (see details in Annex 4.13)	2,058	421	2,103	1,475	9,877	21,595	14,578	11,462	13,063	13,447	2,829	1,219	2,399	63,557	**160,084**
Adjustment[2]	(468)	9	(172)	65	438	(154)	44	36	(76)	12	(424)	(249)	(1,211)	(2,534)	**(4,683)**
Total Including Pan-Canadian	**147,603**	**30,663**	**98,120**	**104,998**	**720,280**	**778,199**	**71,473**	**58,248**	**164,517**	**354,580**	**6,160**	**4,977**	**4,559**	**61,023**	**2,605,401**
Administrative Costs Related to LMDAs[3]	**12,168**	**2,739**	**12,205**	**8,922**	**58,920**	**58,130**	**6,078**	**6,021**	**9,594**	**26,508**	**1,450**	**386**	**541**	**–**	**203,663**

Source: Corporate Management System and provincial/territorial audited statements.

[1] Overcontributions will be recovered during 2011/12.

[2] This adjustment reflects overpayments established, refunds of previous years' expenditures and other accounting adjustments.

[3] Administrative costs include $181 million (salary and non-salary) to administer LMDAs, $11 million for rent and $12 million for LMDA Supplementary Agreement.

[4] Of B.C.'s overcontribution, $19.7M relates to timing differences between payments made and costs incurred for the B.C. Benefits and Measures program ($22M was advanced to service providers in 2010/2011 for expenses to be incurred in 2011/2012, but it is offset by $2.3M from advances paid in 2009/2010 for expenditures incurred in 2010/2011). The remaining overcontribution for 2010/2011 is $71K for a total of $19.8M.

[5] N.W.T audited financial statement is not available. Information is from the Northwest Territories LMDAP Statement of Operations as of March 31,2011.

Annex 4.13: EI Part II Pan-Canadian—Final Expenditures

In $000s, by intervention–2010/11

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.	Yk.	Nun.	NHQ	Canada
Pan-Canadian – Programming Funds															
Aboriginal Skills and Employment Training Strategy	1,816	218	1,854	1,262	9,006	20,207	14,145	11,253	12,640	13,187	2,509	980	2,098	750	91,928
Labour Market Partnerships	242	203	249	213	871	1,388	433	209	422	259	320	239	301	55,913	61,263
Research and Innovation	–	–	–	–	–	–	–	–	–	–	–	–	–	6,894	6,894
Total Programming Funds	**2,058**	**421**	**2,103**	**1,475**	**9,877**	**21,595**	**14,578**	**11,462**	**13,063**	**13,447**	**2,829**	**1,219**	**2,399**	**63,557**	**160,084**
Supporting Agreements with Provinces and Territories[1]	3,600	136	2,600	–	–	–	–	–	–	5,973	–	29	–	–	12,338
Grand Total Pan-Canadian	**5,658**	**557**	**4,703**	**1,475**	**9,877**	**21,595**	**14,578**	**11,462**	**13,063**	**19,420**	**2,829**	**1,248**	**2,399**	**63,557**	**172,422**

Source: Corporate Management System.

[1] The expenditures reported under Supporting Agreements with Provinces and Territories are considered administrative costs and are rolled-up under the administrative costs related to LMDAs in Annex 4.12.

Annex 4.14: Returns to Employment and Unpaid Benefits Indicators

2010/11

Provinces and Territories	Clients Who Returned to Employment[1]						Unpaid Benefits ($ Millions)[1]					
		Results						Results				
	Targets[2]	SD-Apprentices	Group Services	Other[3]	Total	Results vs. Targets (%)	Targets[2]	SD-Apprentices	Group Services	Other[3]	Total[4]	Results vs. Targets (%)
Newfoundland and Labrador	6,438	1,285	–	5,572	6,857	107%	32.9	14.8	–	16.4	31.2	95%
Prince Edward Island	2,123	281	–	1,902	2,183	103%	8.9	3.4	–	5.7	9.1	102%
Nova Scotia	6,000	1,109	20	5,813	6,942	116%	30.1	13.9	0.2	19.2	33.3	111%
New Brunswick	9,245	1,766	–	8,427	10,193	110%	43.7	19.7	–	21.7	41.3	95%
Quebec	59,547	–	8,376	45,863	54,239	91%	285.8	–	82.0	225.8	307.8	108%
Ontario[5]	60,000	13,204	229	60,422	73,855	123%	408.5	150.1	2.8	162.8	315.8	77%
Manitoba	9,000	2,549	–	7,401	9,950	111%	68.0	28.5	–	34.8	63.4	93%
Saskatchewan	5,640	3,342	44	3,306	6,692	119%	64.7	43.2	0.4	20.0	63.6	98%
Alberta	32,000	15,297	–	14,593	29,890	93%	348.0	200.7	–	129.0	329.6	95%
British Columbia	20,000	8,159	9	33,914	42,082	210%	241.7	95.0	0.1	133.3	228.4	95%
Northwest Territories	277	24	–	239	263	95%	4.1	0.4	–	3.1	3.5	87%
Yukon	225	115	–	135	250	111%	2.8	1.9	–	0.7	2.6	94%
Nunavut	170	17	–	63	80	47%	1.1	0.3	–	0.5	0.8	76%
Canada	**210,665**	**47,148**	**8,678**	**187,650**	**243,476**	**116%**	**1,540.2**	**571.9**	**85.4**	**773.0**	**1,430.4**	**93%**

Source: Results dataset.

[1] ASETS activity resulted in 6,419 returns to employment and $19.1 million in unpaid benefits.

[2] Targets are for EBSM regular clients only.

[3] The "Other" category includes all other EBSMs. SD-Apprentices and Group Services are reported separately because a different methodology is used to calculate returns to employment for these two measures.

[4] Some unpaid benefit figures have been rounded.

[5] The Province of Ontario provided estimates for return to employment related to the 79,227 clients that were estimated due to transition issues with the implementation of the new Employment Ontario Information System.

Annex 4.15: Returns to Employment, by Intervention (EBSMs)[1]

	2010/11													
	N.L.	P.E.I.[3]	N.S.	N.B.	Que.	Ont.[4]	Man.	Sask.	Alta.	B.C.	N.W.T	Yuk.	Nun.	NHQ	Canada
Employment Benefits															
Targeted Wage Subsidies	252	160	136	1,169	1,740	287	139	69	47	2,295	3	3	1	–	6,301
Self-Employment	161	141	352	239	1,536	1,003	180	46	257	1,744	17	6	–	–	5,682
Job Creation Partnerships	811	185	109	–	–	238	103	–	200	162	–	–	–	–	1,808
Skills Development–Regular	2,060	740	1,784	4,072	11,909	4,501	1,374	828	494	4,239	120	38	43	–	32,202
Skills Development–Apprentices[2]	1,285	281	1,109	1,895	–	13,204	2,645	3,621	15,297	8,159	24	115	17	–	47,652
Targeted Earning Supplements	–	–	–	–	5,426	–	–	–	–	–	–	–	–	–	5,426
Total Benefits	**4,569**	**1,507**	**3,490**	**7,375**	**20,611**	**19,233**	**4,441**	**4,564**	**16,295**	**16,599**	**164**	**162**	**61**	**–**	**99,071**
Suppport Measures: EAS															
Employment Services	–	377	1,946	697	25,206	4,824	2,232	580	13,595	10,697	–	79	19	–	60,252
Group Services	–	–	20	–	8,376	229	–	44	–	9	–	–	–	–	8,678
Individual Counselling	2,288	275	1,486	2,121	46	49,569	3,277	1,504	–	14,777	99	9	–	–	75,451
Total Support Measures: EAS	**2,288**	**652**	**3,452**	**2,818**	**33,628**	**54,622**	**5,509**	**2,128**	**13,595**	**25,483**	**99**	**88**	**19**	**–**	**144,381**
Total Employment Benefits and Support Measures: EAS	**6,857**	**2,159**	**6,942**	**10,193**	**54,239**	**73,855**	**9,950**	**6,692**	**29,890**	**42,082**	**263**	**250**	**80**	**–**	**243,452**
Target	6,438	2,123	6,000	9,245	59,547	60,000	9,000	5,640	32,000	20,000	277	225	170	–	210,665
Results vs. Targets (%)	106.5%	101.7%	115.7%	110.3%	91.1%	123.1%	110.6%	118.7%	93.4%	210.4%	94.9%	111.1%	47.1%	–	115.6%

Sources: Results dataset and Common System for Grants and Contributions (CSGC).

[1] Results associated solely with the ASETS are not available.

[2] Results for SD-Apprentices do not match those in Annex 4.14. Results presented in this Annex are associated with the last intervention in which a client participated. Employment Benefits participation supersedes participation in Employment Services.

[3] Twenty-four clients in the PEI Result file could not be attributed to an intervention.

[4] The Province of Ontario provided estimates for return to employment related to the 79,227 clients that were estimated due to transition issues with the implementation of the new Employment Ontario Information System.

ANNEX 5

KEY PROGRAM ADMINISTRATION DATA AND RESULTS

EI Volumes	2010/11	2009/10	2008/09
EI claims processed	2.9 million	3.3 million	3.1 million
· **Increase from previous year**[1]	-9.1%	7.8%	17.8%
· **Accuracy rate**	94.0%	96.1%	95.7%
· **Speed of payment**	83.9%	84.2%	79.1%
Applications submitted online	2.9 million	3.1 million	3.0 million
Use of electronic reporting services	99.8%	99.7%	99.7%
Claimants receiving benefits through direct deposit	83.2%	80.7%	80.3%
Interactive voice response system enquiries resolved (via the telephone information service)	14 million	16 million	16.8 million
Calls answered (call centres)	6.8 million	7.7 million	6.6 million
EI enquiries received at Service Canada Centres (SCCs)	5.7 million	5.9 million	5.1 million
Mobile Outreach Services EI general information sessions	4,246	2,498[2]	N/A
· **Number of employers reached**	21,917	11,418	
· **Number of employees facing layoff reached**	38,953	28,901	
1 800 O-Canada EI-related calls	381,800	306,100	261,100
· **Increase from previous year**	24.8%	17.2%	N/A
Service Canada web site visits	67 million	55 million	33 million
· **Increase from previous year**	21.5%	67.2%	N/A
My Service Canada Account logins	15.9 million	14.7 million	9.9 million
· **Increase from previous year**	8.2%	48.6%	N/A
Points of service for EI program delivery	More than 600 in-person points, as well as via telephone and internet services.	600 in-person points, as well as via telephone and internet services.	600 in-person points, as well as via telephone and internet services.

continued on next page

Modernization and Transformation of Service Delivery	2010/11	2009/10	2008/09
Applications for EI benefits automatically registered upon receipt	97.2%	95.1%	97.2%
Claims partially or fully processed via Automated Claims Processing (ACP)	57.9%	44.8%	33.5%
New employers adopting electronic Record of Employment (ROE) solutions	55,539	39,047	27,312
ROEs submitted electronically by employers	5.2 million	4.5 million	4 million
- Percentage of total ROEs received	60.0%	51.0%	49.4%

[1] The 17.8% increase in 2008-09 was a result of the onset of the economic downturn when claims processed climbed to 3.1 million and 3.3 million in the two years starting April 1, 2008.

[2] 2010/11 was a partial year (October to March).

ANNEX 6

KEY STUDIES REFERENCED IN CHAPTER 6

1. Employment Insurance Coverage Survey

Author(s): *Statistics Canada*

Objective(s): The Employment Insurance Coverage Survey (EICS) provides information on unemployed individuals, whether or not they are eligible for or apply for Employment Insurance (EI) benefits.

Key finding(s) referenced in the report:

- In 2010, 83.9% of unemployed individuals who had been paying premiums and had a recent job separation that met EI program criteria were eligible to receive EI benefits; 62.7% received regular benefits during the survey reference weeks. Table 1 provides more detailed findings.

Availability: Findings for the 2010 EICS are available on Statistics Canada's web site at **http://www.statcan.gc.ca/daily-quotidien/111118/dq111118f-eng.htm**.

2. Potential EI Eligibility of Employed Canadians Using the 2009 Survey of Labour and Income Dynamics (SLID)

Author(s): *Constantine Kapsalis and Pierre Tourigny, Data Probe Economic Consulting Inc.*

Objective(s): Using the Survey of Labour and Income Dynamics (SLID), the study estimates the proportion of employees who would have sufficient insurable hours to be eligible for EI benefits if they were to lose their job or quit with just cause at the end of the year. The report also provides the data used on potential access to special benefits among the employed population.

Key finding(s) referenced in the report:

- Simulations indicated that 87.8% of individuals who were working as paid employees in December 2009 would have been eligible for EI regular benefits if they had lost their job at the end of that month. The proportion of individuals with sufficient hours to claim EI benefits varied from 86.6% in British Columbia to 89.7% in the Atlantic provinces. Table 2 provides more detailed findings.

Availability: SLID data are available from Statistics Canada. See **http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=75M0010XCB&lang=eng**.

Table 1: Eligibility for EI Benefits, 2010 Employment Insurance Coverage Survey (EICS)

	Eligibility Rate for Unemployed With Recent Job Separation That Met EI Criteria[1] (%)	Receipt Rate of Regular Benefits[2] for Unemployed With Recent Job Separation That Met EI Criteria (%)
Overall	83.9	62.7
Gender		
Women	84.4	61.2
Men	83.6	63.5
Age and Gender		
Unemployed youth (15 to 24 years old)	48.4	29.0
Unemployed adult women (25 to 69 years old)	89.6	66.7
Unemployed adult men (25 to 69 years old)	89.5	68.9
Region		
Atlantic	92.8	76.0
Quebec	85.4	66.1
Ontario	81.0	58.6
Prairies	86.1	60.7
British Columbia	77.7	56.1
Full-Time/Part-Time Employment Status Over the Last 12 Months		
Unemployed who worked part-time only in the last 12 months	46.4	29.3
Unemployed who worked full-time only in the last 12 months	90.3	67.8
Unemployed who worked part-time and full-time in the last 12 months	76.7	58.3
Work Pattern of Last Employment		
Permanent		
Full-time	94.5	71.7
Part-time	74.4	53.3
Non-permanent		
Seasonal	83.6	65.4
Other non-standard[3]	64.7	46.5
Immigrant Status		
Canadian-born	84.8	64.0
Immigrants	80.7	58.0

[1] Unemployed individuals with a recent job separation that met Employment Insurance (EI) criteria are individuals who have lost a job or quit a job with just cause, under current EI rules, in the previous 12 months. This figure includes all those who have done some work in the last 12 months, were not self-employed, did not leave their job to go to school and did not quit their job for a reason considered invalid according to current EI rules.

[2] Individuals who received special benefits, whose benefits were temporarily interrupted, who were expecting to receive benefits, who exhausted their benefits, who claimed but did not receive benefits for unknown reasons, and who did not claim benefits during the reference week account for the difference between those individuals eligible for EI and those receiving EI regular benefits.

[3] "Other non-standard" refers to non-permanent paid jobs that were temporary, term, contractual, casual or non-permanent in some other way (but not seasonal). These unemployed people were not self-employed.

Table 2: Simulated EI Eligibility[4] as a Proportion of Employees, Using the Survey of Labour and Income Dynamics (SLID), Various Groups, December 2009

	December 2009 (%)
All Employees	87.8
Gender	
Women	84.8
Men	90.9
Age and Gender	
Employed youth (17 to 24 years old)	63.0
Employed adult women (25 years old and older)	89.0
Employed adult men (25 years old and older)	94.7
Region	
Atlantic	89.7
Quebec	88.3
Ontario	87.6
Prairies	87.8
British Columbia	86.6
Full-Time/Part-Time Employment Status Over the Last 12 Months	
Employed who worked full-time only in the last 12 months	95.6
Employed who worked part-time only in the last 12 months	55.3
Employed who worked part-time and full-time in the last 12 months	87.7
Gender and Full-Time/Part-Time Employment Status Over the Last 12 Months	
Employed who worked full-time only in the last 12 months	
Women	95.0
Men	96.0
Employed who worked part-time only in the last 12 months	
Women	57.3
Men	50.0
Employed who worked part-time and full-time in the last 12 months	
Women	87.4
Men	87.9

[4] Simulated scenario: Individuals with paid employment in December 2009 are laid off at the end of the month. The longitudinal segment of the Survey of Labour and Income Dynamics (SLID) is used to calculate insurable hours of employment under EI. Rules in effect in December are used to calculate eligibility for regular benefits under EI.

3. ROE-Based Measures of EI Eligibility

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): The study examines the Record of Employment (ROE) database to determine the ability of workers to meet the required number of insurable hours of employment under EI eligibility criteria. The report analyzes eligibility across unemployment rates, provinces, industries and economic regions.

Key finding(s) referenced in the report:

- Between 1990 and 2010, the overall percentage of ROEs meeting the VER generally decreased along with the unemployment rate.
- During this period, the percentage of ROEs that met the Variable Entrance Requirement (VER) varied significantly across economic regions. In general, in larger cities with lower unemployment rates, lower proportions of ROEs met the VER.
- In regions of high unemployment (13% or higher), the proportion of job separations that occurred after the individuals had accumulated enough insurable hours to meet the VER tended to be larger than that in regions of low unemployment (6% or lower).
- In recent years, the proportion of job separations that occurred in regions with unemployment rates of 7% or lower decreased significantly. This proportion was 73.0% in 2007 and decreased to 20.7% in 2010.
- In 2010, 74.3% of individuals across Canada who were separated from their job had accumulated enough insurable hours to meet the VER.

Availability: This report is available upon request.

4. Compassionate Care Benefits

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): The report provides an overview of compassionate care benefits (CCB). It also provides a socio-economic profile of CCB applicants and claimants, and specific claim characteristics. Data are updated from previous reports.

Key finding(s) referenced in the report:

- Since the extension of family definition in 2006, the overall CCB acceptance rate has been 63.4%.
- The main reasons for CCB applicants not qualifying for benefits remain unchanged: the family member is not at significant risk of death, the patient dies before the benefit is paid or the claimant does not provide a medical certificate.
- The study also finds that CCB applicants caring for their spouse, their father or their mother are more likely to have their claims approved than those caring for a child, mainly because it is less likely that the applicant is able to prove that their child is at significant risk of death.
- The mortality rate of care recipients is the main factor affecting how much of the six-week CCB period claimants use. If the care recipient passes away while the claimant is receiving CCB, the claimant does not receive the full six weeks. Other factors influencing the number of CCB weeks used are as follows:
  - those caring for a spouse are more likely to use the entire six-week period than are those caring for another type of family member; and
  - those living with the gravely ill care recipient are more likely to use the entire six-week period than are those who do not live with the care recipient.

Availability: This report is available upon request.

5. Financial Impacts of Receiving Employment Insurance

Author(s): *Constantine Kapsalis, Data Probe Economic Consulting Inc.*

Objective(s): This study explores the financial impact of receiving EI benefits. The study probes the evolution of individual incomes before, during and after the receipt of EI benefits, as well as the influence of receiving EI on household consumption.

Key finding(s) referenced in the report:

- The average EI beneficiary experienced a 38% drop in wages during a year with EI. The most important offsetting factor was EI; it replaced about 38% of lost wages. The second most important factor was investment income; it replaced about 9% of lost wages. Other income sources played a lesser role.

- Lower income families received a higher return of their contributions than did higher income families. In fact, families with after-tax income below the median received 34% of total benefits and paid 18% of all premiums in 2007. The study also found that EI halved the incidence of low income among beneficiaries (from 14% to 7%) during that period.

Availability: This report is available upon request.

6. Employment Insurance and the Financial Hardship of Unemployment

Author(s): *Constantine Kapsalis, Data Probe Economic Consulting Inc.*

Objective(s): This study explores various indicators of the financial hardship of unemployment and the mitigating impact of EI.

Key finding(s) referenced in the report:

- From 2004 to 2009, 25% of unemployed individuals reported that their household income was insufficient to cover all or most of their regular spending. The percentage was lowest for EI beneficiaries (23%) and highest for EI exhaustees (32%). The rate may have been higher among exhaustees and non-beneficiaries because they were not receiving EI.

Availability: This report is available upon request.

7. Estimates of the Employment Insurance Replacement Rate

Author(s): *Costa Kapsalis, Data Probe Economic Consulting Inc.*

Objective(s): This study examines the extent to which EI regular benefits replace the weekly earnings of beneficiaries. In particular, the study estimates the share of regular beneficiaries who receive the maximum 55% replacement rate, as well as the average replacement rate across all regular beneficiaries.

Key finding(s) referenced in the report:

- According to the latest EICS, 62% of regular beneficiaries received the maximum replacement rate in 2010. According to the latest SLID, the same share of regular beneficiaries (62%) received the maximum replacement rate in 2009.
- Over a 10-year period, the share of beneficiaries receiving the maximum 55% replacement rate has declined. Based on time trend regression analysis, both surveys show that the share has been declining at an annual rate of 1.5 percentage points.
- One possible explanation for the declining trend in the above share is that wages in current dollars are increasing faster than the maximum insurable earnings (MIE). This was clearly the case in 2000–2006, during which the MIE was fixed at $39,000. Another possible reason is that the wage gap between unemployed beneficiaries and the average worker has been closing.
- Differences in the replacement rate between different demographic groups tend to be small. Moreover, the minor differences that are observed are almost entirely due to the correlation of individual characteristics with the level of weekly wages.
  - Men have a lower replacement rate than women do because, on average, they have higher weekly earnings (due to the fact that women are more likely to work part time and also receive less on an hourly basis than men do).
  - University graduates have a lower replacement rate than do those with less than a high school education (because wages are positively correlated with the level of education).
  - Alberta residents have a lower replacement rate than Newfoundland and P.E.I. residents do (because, on average, wages are relatively higher in Alberta).
  - Full-time workers have a lower replacement rate than part-time workers do (because, on average, those with more weekly hours have higher weekly wages).
  - Unionized workers have a lower replacement rate than non-unionized workers do (because, on average, unionized workers have higher weekly wages).

Availability: This report is available upon request.

8. Supplemental Unemployment Benefits

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This evaluation study presents a descriptive examination of the incidence of Supplemental Unemployment Benefits (SUB) among EI claimants and its correlation with claimant characteristics.

Key finding(s) referenced in the report:

- Claimants benefiting from SUB plans represented about 1% of the sampled claims during the 2001–2010 period.
- The majority of claims involving SUBs are for regular claims, followed by sickness claims and then training claims.
- Claims involving SUBs are more likely to involve workers aged between 25 and 54, originate in Quebec and Ontario, and involve workers in the following industries: public administration; utilities; transportation and warehousing; and manufacturing.
- Findings suggest a proxied wage effect, whereby higher paid claimants are more likely to have SUB.

Availability: This report is available upon request.

9. Extended Duration of Employment Insurance Regular Benefits (Five-Week EAP Initiative)

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): The extended duration of EI regular benefits (EDB) initiative increased EI entitlements for regular claims by five weeks. It was introduced as part of a stimulus package in Budget 2009, along with several other relief measures. This study estimates the effect of EDB on benefit use and exhaustion of entitlements.

Key finding(s) referenced in the report:

- Mean weeks of EI benefits received rose with the entitlement increase.
- The proportion of claimants using additional EDB weeks and their EI exhaustion rates declined with the entitlement increase.
- From March 9, 2008 until April 4, 2010, the joint effect of the extra EDB weeks used and the increase in entitlement, controlling for other factors, led to an average increase in benefit use of 2.1 weeks.
- Controlling for the same factors, the average probability of claimants exhausting their EI entitlement decreased by 3.2 percentage points due to the EDB initiative. Specifically, in EI economic regions previously eligible for the two preceding EI pilot projects that extended regular benefit weeks, the average probability of exhausting benefits was 2.8 percentage points lower due to EDB. In other regions, it was 3.4 percentage points lower.

Availability: This report is available upon request.

10. Preliminary Analysis of the Extension of Employment Insurance Regular Benefits for Long-Tenured Workers

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report provides a demographic profile of long-tenured workers (LTWs) and examines how benefits received and entitlement varied for LTWs and non-LTWs across demographic and labour market characteristics.

Key finding(s) referenced in the report:

- The likelihood that LTWs would use the additional weeks available to them under this temporary measure was positively related to the number of additional weeks available to them.
- Approximately 15% of LTWs exhausted their benefits. This was about half the rate for non-LTWs, who exhausted their benefits 29.2% of the time. For LTWs, exhaustion rates ranged from a high of 32% for those with 26 to 30 weeks of entitlement to a low of 8% for those with 66 to 70 weeks of entitlement.

Availability: This report is available upon request.

11. Balancing Paid Work and Caregiving Responsibilities: A Closer Look at Family Caregivers in Canada

Author(s): *Linda Duxbury, Chris Higgins and Bonnie Schroeder, Canadian Policy Research Networks*

Objective(s): This report seeks to increase understanding of what it means to be an employed caregiver in Canada today. It also identifies the kinds of support key stakeholders in this relationship—the dependant, the family, organizations and governments—could offer to help the employed caregiver to perform this role.

Key finding(s) referenced in the report:

- One out of four employed Canadians had caregiving responsibilities at the time of the study (that is, they had dual demands at home and at work).
  - Just over one in four (27.8%) of this group of employed Canadians cared for elderly dependants.
  - Twice as many had childcare responsibilities (54.2%).
  - One in five (16.8%) provided both childcare and eldercare.

Availability: The report is available on the Canadian Policy Research Networks web site at **http://www.cprn.org/doc.cfm?doc=1997&l=en**.

12. Canadian Outlook Long-Term Forecast 2011: Economic Forecast

Author(s): *The Conference Board of Canada*

Objective(s): This annual economic forecast presents the long-term national outlook.

Key finding(s) referenced in the report:

- During the past 15 years, the labour force participation rate of men and women aged 55 and over has climbed steadily, from 23.7% in 1995/96 to 36.2% in 2010/11.
- This increase can be associated with a higher participation rate for women in the labour force, rising educational attainment and an increasing desire among this group to continue working in the wake of the late-2000s recession.

Availability: This report can be found on the Conference Board of Canada's web site at **http://www.conferenceboard.ca/e-Library/abstract.aspx?DID=4220**.

13. Perspectives on Labour and Income: Participation of Older Workers

Author(s): *Katherine Marshall and Vincent Ferrao, Statistics Canada*

Objective(s): This article examines the labour market trends of the population aged 55 to 64.

Key finding(s) referenced in the report:

- One in four older workers is self-employed and one in five works part time. Male older workers are more likely to be self-employed than are core-aged men (30% and 18%, respectively). Part-time work is one of the few job characteristics that differs notably between older workers and core-age workers (those aged 25 to 54), suggesting transitional changes before retirement.
- The majority of older workers are employees (76%) and work full time (81%).
- Earnings and occupations of older and core-age workers are strikingly similar.

Availability: This report can be found on Statistics Canada's web site at **http://www.statcan.gc.ca/pub/75-001-x/75-001-x2007108-eng.pdf**.

14. Employment Insurance Access for Part-Time and Short-Term Workers

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This paper compares the EI eligibility and receipt rates of full-time, part-time, permanent and temporary workers. It examines why some eligible workers don't take up EI benefits. It also looks at the extent to which the four types of workers hold more than one job at a time, and the resulting impact on EI eligibility and benefit receipt.

Key finding(s) referenced in the report:

- Women were more likely to hold permanent and temporary part-time jobs than men were.
- Youth made up 41.3% of all temporary part-time workers while accounting for 14.6% of total employment.
- Those with less than a high school education made up a significant proportion of temporary part-time workers at 28.3%, while representing only 11.5% of total employment.
- Workers from the Atlantic region comprised a high share of full-time temporary workers (15.4%) but accounted for 6.5% of total employment.
- Almost half (47.1%) of all temporary part-time workers were in Quebec, which represented 22.9% of total employment.

- Full-time permanent employees were about 40% more likely to be eligible for EI benefits and to receive them than were full-time temporary, part-time permanent and part-time temporary workers.
  - Being a multiple-job holder had no impact on eligibility, but multiple-job holders were more likely to collect EI benefits than were those holding only one job.
  - Not believing they were eligible, finding another job quickly and not needing EI benefits were among the most common reasons eligible employees did not apply for EI.
- Approximately 55% of full-time workers (regardless of permanent or temporary job status) applied for EI benefits after separating from a job. This was a significantly higher share than those for part-time permanent and temporary workers (32.6% and 39.1%, respectively).
- Part-time workers in the Atlantic region and Quebec had higher eligibility rates than their counterparts in the other provinces, with the exception of part-time temporary workers in Ontario.

Availability: This report is available upon request.

15. An Evaluation Overview of Seasonal Employment: Update

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This study provides an overview of seasonal employment in Canada and draws firm conclusions on the subject of seasonal work.

Key finding(s) referenced in the report:

- Aggregate Labour Force Survey (LFS) data underreported seasonal employment as 2.8% of total employment. This aggregate estimate failed to take into account fluctuations in individual industries that cancelled each other out.
- The Canadian Out of Employment Panel (COEP) survey estimated seasonal employment to be 15.8% of total employment in Canada.
- Seasonal workers are
  - more likely than other workers to be male, to have a lower level of education and to have fewer family dependants;
  - more prominent in eastern provinces and primary industries;
  - less likely to be unionized, to have a medical plan or to have a pension plan; and
  - more likely to expect to return to a previous employer.

Availability: This report is available upon request.

16. Employment Insurance Special Benefits for Self-Employed Canadians

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This is the first evaluation study of special benefits for the self-employed since they were introduced. The objective of this paper is to report on participation and to profile claimants to the extent possible, given that benefits have been available for less than one year.

Key finding(s) referenced in the report:

- Preliminary analysis indicates that the vast majority of EI special claims established by self-employed individuals in 2010/11 were made by women, and by those aged 25 to 34.

Availability: This report is available upon request.

17. The Stabilization Impact of the Employment Insurance Program

Author(s): *Peter Dungan and Steve Murphy, University of Toronto, for HRSDC, Evaluation Directorate*

Objective(s): This report examines the macro-economic stabilization properties of the EI program. The report sketches the recent history of the EI program. It also examines the methods employed, and results obtained, in using the FOCUS macro-econometric model to evaluate the stabilizing properties of the EI program. The report examines the two most recent recessions or downturns in the Canadian economy and estimates to what extent the EI program stabilized the economy in each.

Key finding(s) referenced in the report:

- The EI program remained a very important stabilization system during the late-2000s recession, as it had been during the two previous major recessions in the early 1980s and early 1990s.
- The stabilization properties of the EI program saved an estimated 51,000 jobs in 2009, 128,000 jobs in 2010 and 178,000 jobs in 2011. The "saving" of 51,000 person-years in 2009 represented just under 12% of the actual employment losses suffered in 2009.

- It was further estimated that the economic contraction in these three years was considerably less severe because of the stabilization properties of EI, in terms of real GDP. It was estimated that real GDP would have been 0.6% lower in 2009, 1.4% lower in 2010 and 2.1% lower in 2011 without the effects of the EI program. The loss of GDP in 2010 would have been well over $20 billion (based on chained 2002 dollars).

Availability: This report is available upon request.

18. Use of Employment Insurance by Industrial Sector

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This paper uses descriptive analysis to determine the proportion of job separators from each industry who experience a layoff. It presents the distribution of layoffs by industry within various socio-economic groups. The analysis focuses on all individuals who experience a layoff, as well as those who experience a layoff and receive regular EI benefits.

Key finding(s) referenced in the report:

- Some industries repeatedly present the highest levels with respect to certain EI outcomes.
  - Eligibility, benefit exhaustion and weeks of benefits used are typically higher in the agriculture industry.
  - Eligibility is high in the education industry, while exhaustion rates, the number of EI entitlement weeks and weeks of benefits used are low.
  - Eligibility is low in the retail industry. EI covers fewer weeks of unemployment and the number of benefit weeks used is high.

Availability: This report is available upon request.

19. Interprovincial Mobility and Earnings

Author(s): *André Bernard, Ross Finnie and Benoît St-Jean, Statistics Canada*

Objective(s): This study looks at interprovincial migration longitudinally to identify factors that affect the probability that someone will move and to quantify the labour market gains associated with migration. It also compares the situations of migrants and non-migrants.

Key finding(s) referenced in the report:

- Factors such as personal and labour market characteristics, as well as moving costs, play a key role in mobility decisions.

Availability: This study can be found on Statistics Canada's web site at **http://www.statcan.gc.ca/pub/75-001-x/2008110/pdf/10711-eng.pdf**.

20. The Impact of EI Regional Boundary Revisions on Mobility in New Brunswick: Evidence from the Longitudinal Administrative Databank

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report investigates whether the change in the generosity of EI that occurred in the eastern region of New Brunswick with the revision of the EI regional boundary in 2000 affected the probability of moving out of that region.

Key finding(s) referenced in the report:

- The impact of the boundary revisions on the decision to move out of the eastern region was not statistically significant, which confirms that EI generosity does not seem to affect mobility decisions.

Availability: This report is available upon request.

21. The Commuting and Mobility Patterns of Employment Insurance (EI) Recipients and Non-Recipients

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report investigates whether EI benefits can foster mobility by helping to finance mobility and commuting costs. It also examines the alternative hypothesis—that, by providing a safety net, EI benefits can lower the pressure to move or commute to areas where better job opportunities are available. The objective of this paper was to compare mobility and commuting patterns of EI recipients and non-recipients to shed light on these unresolved questions.

Key finding(s) referenced in the report:

- The study suggested that EI does not discourage workers from being mobile.
  - EI recipients were found to be more likely than non-EI recipients to commute 30 kilometres or more to go to work.

- EI recipients were more likely to work outside their census subdivision of residence.
- Also, following a job loss, EI recipients were more likely than non-EI recipients to move more than 100 kilometres away.

Availability: This report is available upon request.

22. Policy-Induced Internal Migration: An Empirical Investigation of the Canadian Case

Author(s): *Kathleen M. Day, University of Ottawa, and Stanley L. Winer, Carleton University*

Objective(s): This study investigates the influence of public policy on interprovincial migration in Canada.

Key finding(s) referenced in the report:

- The prime determinants of interprovincial migration were differences in earnings, employment prospects and moving costs.
- EI is not a barrier to mobility, as eliminating regional EI extended benefits and regional EI differences in qualifying requirements would increase the volume of migration by less than 1%.

Availability: This paper can be found through CESifo at **http://www.ifo.de/portal/pls/portal/docs/1/1188434.PDF**.

23. EI Payments and the GIS System

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This paper assesses the impact of the Guaranteed Income Support (GIS) clawback provisions on overall individual income for EI claimants. It analyzes the interaction between the EI program and the GIS system, as well as how potential changes to Statistics Canada's Social Policy Simulation Database and Model (SPSD/M) would affect these two programs.

Key finding(s) referenced in the report:

- Older workers (aged 55 and older) are generally net beneficiaries of EI regular benefits.
- Even though workers aged 65 and older contribute more to the program than they receive in benefits, their premiums amount to only about 8% of what older workers in total contribute.
- Workers between the ages of 55 and 64, who represent the vast majority of older workers, more than offset this by being net beneficiaries.

Availability: This report is available upon request.

24. Usage of the Work-Sharing Program: 1990/91 to 2010/11

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report examines the usage of the Work-Sharing program from 1990/91 to 2010/11. Specifically, it examines the extent to which the Work-Sharing program is used, expenditures on Work-Sharing benefits, and the characteristics and experiences of Work-Sharing participants.

Key finding(s) referenced in the report:

- Work-Sharing usage and expenditures are counter-cyclical.
- By using data on the annual number of Work-Sharing claimants and the average work reduction due to Work-Sharing agreements, it was estimated that the number of layoffs averted in 2009/10 due to the Work-Sharing program was around 35,000.

Availability: This report is available upon request.

25. Descriptive Analysis of the Career Transition Assistance (CTA) Initiative

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This paper presents a descriptive analysis of the Career Transition Assistance (CTA) initiative. The CTA initiative, which began on May 31, 2009, in partnership with the provinces and territories, is a temporary measure that provides longer and earlier access to EI regular benefits to long-tenured workers (LTWs) undertaking training.

Key finding(s) referenced in the report:

- The characteristics of CTA training reflected the requirements of the initiative: eligible training had to be full time and last at least 20 weeks.
- On average, CTA participants were in training for 29 hours per week and had an anticipated course duration of 43 weeks.
- By comparison, the majority of LTWs who trained outside the CTA enrolled in part-time courses that lasted 15 weeks, on average.

- Almost all CTA training (93%) was leading toward a diploma. In 65% of the cases, it was a trade or community college diploma.
- The average tuition cost for CTA training was about $8,000.
- Among CTA participants who terminated their claim by February 2011, 91% benefited from an extension of EI benefits (36 weeks, on average) and 39% received additional weeks of EI benefits (7 weeks, on average) to look for a job after they finished their training.
- Moreover, it was estimated that the Severance Investment for Training Initiative (SITI) could allow LTWs to receive EI benefits 12 weeks earlier than normal, on average.

Availability: This report is available upon request.

26. An Evaluation of the EI Pilot Project on Small Weeks, 1998–2001

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This study investigates the effectiveness of the pilot project in encouraging program participants to accept "small weeks" of work during the rate calculation period (the 26 weeks preceding the last day of employment); determines the project's impact on program participants' earnings and weeks of work; and assesses the project's impacts on male and female EI benefits claimants separately.

Key finding(s) referenced in the report:

- Many EI claimants in the 31 small weeks regions benefited from the project.
- The provision increased total durati n of work in the 26 weeks prior to job separation and increased the total average income of male and female participants.

Availability: This report is available upon request.

27. Evaluation Report on the Impacts of the EI Pilot on Increased Access to Benefits by New and Re-Entrants

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): The study examines whether the New Entrant/Re-Entrant (NERE) Pilot Project increased access to EI among NEREs in the pilot regions by lowering the threshold for qualification, and whether there is evidence of a behavioural change related to labour market activity among NEREs during the qualifying period.

Key finding(s) referenced in the report:

- In the pilot regions, employment patterns changed as a result of the NERE Pilot Project. The proportion of NEREs accumulating between 840 and 909 hours increased, suggesting that some employees and employers were somewhat flexible and adapted work patterns.
- The proportion of NEREs accumulating between 910 and 949 hours decreased during the pilot project period, suggesting that some employees and firms shortened working periods in response to a lower threshold for qualification.

Availability: This report is available upon request.

28. The NERE Pilot Project Evaluation: Summary of Results for the *2009 Employment Insurance Monitoring and Assessment Report*

Author(s): Carole Vincent, Social Research and Demonstration Corporation, for HRSDC, Evaluation Directorate

Objective(s): The report summarizes the effects of the New Entrant/Re-Entrant (NERE) Pilot Project, based on different studies.

Key finding(s) referenced in the report:

- The pilot provided greater access to EI regular benefits for NEREs, but there is no evidence that the pilot increased their participation in training activities offered under EI Part II.

Availability: This report is available upon request.

29. An Overview of the Summative Evaluations of EBSMs Delivered under the Labour Market Development Agreements in Canada: Summary of Quantitative Results

Author(s): HRSDC, based on work by Walter Nicholson, Amherst College. The report was originally prepared by Walter Nicholson and provided an overview of the Labour Market Development Agreement (LMDA) summative evaluations that were completed by 2008; HRSDC later updated it to include findings from all other evaluations and more recent literature.

Objective(s): This report summarizes and discusses net impacts estimated in all LMDA evaluations for the following three outcome indicators: employment hours, earnings from employment and use of EI weeks.

Key finding(s) referenced in the report:

- The net impacts summarized and discussed in this report are presented in detail in Chapter 6, section IV, on Employment Benefits and Support Measures evaluations.

Availability: This report is available upon request.

30. What Works and for Whom: A Review of OECD Countries' Experiences With Active Labour Market Policies

Author(s): *John P. Martin and David Grubb, Organisation for Economic Co-operation and Development (OECD)*

Objective(s): This paper reviews the experience of OECD countries with active labour market policies by examining evaluation results. It seeks to identify some key features in the design of the programs or in the characteristics of the target groups that were relevant to the success or failure of the program in question.

Key finding(s) referenced in the report:

- The outcomes of public training programs, job search assistance and subsidies for private sector employment, including self-employment and employment subsidies, were generally positive or mixed. These initiatives did work for some target groups, even if the impacts were not large.
- Public training programs: The results of participating in public training programs were positive for adult women but mixed for adult men. No program seemed particularly effective for youth. To enhance effectiveness, countries should tightly target participants, keep programs relatively small, ensure courses lead to a qualification that the market recognizes and values, and include a strong on-the-job component in the program.
- Job search assistance: Program evaluations show positive outcomes in the United States, the United Kingdom, Canada and Sweden, but no significant impact in the Netherlands. However, the best combination of job placement and work search enforcement is not clear, although it is likely that both are necessary to produce benefits.
- Subsidies for private sector employment: Findings from several countries show that private sector employment subsidies work better than public training programs or direct job creation schemes. Aid to help unemployed people start their own businesses (self-employment assistance) appears to have succeeded in some cases.

Availability: This study can be found in the *Swedish Economic Policy Review* at **http://www.ifau.se/upload/pdf/se/2001/wp01-14.pdf**.

31. Follow-up Study of the Summative Evaluation of Employment Benefits and Support Measures Delivered Under the Canada–British Columbia LMDA

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report presents the results of a recent follow-up study examining the medium-term net impacts and cost-benefit analysis of Employment Benefits and Support Measures delivered under the Canada–British Columbia LMDA. Results were assessed for a post-participation period of five years for a cohort of active claimants covered by the net impact analysis conducted in the summative evaluation of the Canada–British Columbia LMDA in 2004.

Key finding(s) referenced in the report:

- Active claimants participating in Skills Development (SD) and Targeted Wage Subsidy (TWS) experienced significant positive impacts on their employment earnings in the five-year follow-up period. Results for EI and Social Assistance use were non-significant for these participants.
- Impacts on earnings, EI use and SA use for active claimants participating in Employment Assistance Services (EAS) and Job Creation Partnerships (JCP) were non-significant over the five-year follow-up period.
- Active claimants participating in Self-Employment (SE) experienced significant reductions in their earnings from employment after participation. These losses were mitigated somewhat in the latter part of the follow-up period. These participants saw reductions in their EI benefits during the first three years of the follow-up period. Impacts on SA use were non-significant.

- The cost-benefit analysis showed that the benefits related to participating in SD, TWS and EAS exceeded the costs by the end of the follow-up period. However, the costs of delivering and undertaking SE and JCP exceeded the benefits.

Availability: This report is available upon request.

32. Technical Report on the Literature Review of Active Labour Market Policies

Author(s): *HRSDC, Evaluation Directorate*

Objective(s): This report presents the findings of a survey of the literature pertaining to the effects of active labour market policies similar to Employment Benefits and Support Measures (EBSMs) programming delivered in other Organisation for Economic Co-operation and Development (OECD) countries.

Key finding(s) referenced in the report:

- Public training programs delivered in other countries generally result in positive labour market impacts for adults. These tend to improve the likelihood of employment and to increase the earnings of participants who are employed.
- Several studies of wage subsidy programs found that this type of intervention generally results in modest gains in employment and labour force participation, with net increases in employment ranging from 3 to 9 percentage points. These studies did not report declines in earnings associated with the employment gains. This suggests that participants are not necessarily compromising on their earnings to increase their chances of finding employment.
- Studies reviewed about self-employment assistance reported mixed findings. These studies generally found increased business starts, longer business survival and increased probability of being employed. Findings about effects on earnings and use of employment/unemployment insurance were, however, both positive and negative.

Availability: This report is available upon request.

33. Active Labour Market Policy Evaluations: A Meta-Analysis

Author(s): *David Card, Jochen Kluve and Andrea Weber*

Objective(s): This study constitutes a meta-analysis of 97 micro-econometric evaluations of active labour market policies conducted between 1995 and 2007.

Key finding(s) referenced in the report:

- Long-term evaluations tend to show more positive results than short-term evaluations do. Many programs have insignificant or negative impacts after one year but have significantly positive impacts after two or three years.
- Classroom and on-the-job training programs do not have especially favourable impacts in the short run but have more positive relative impacts after two years.
- Job search assistance programs have generally positive impacts, especially in the short run.
- Subsidized public sector jobs programs and programs for youth have less favourable results than other types of active labour market policies do.
- The meta-analysis found no large or systematic difference in impacts by gender.
- Evaluations based on the duration of time in registered unemployment are more likely to show positive short-term impacts than evaluations based on direct labour market outcomes, such as employment or earnings.
- Differences between the experimental and non-experimental impact estimates are small and statistically insignificant, which suggests that the research designs used in recent non-experimental evaluations are not significantly biased relative to experimental designs.
- Only a few studies included enough information to allow the authors to perform even a crude cost-benefit analysis.

Availability: This report can be found on the Institute for the Study of Labor's web site at **http://ftp.iza.org/dp4002.pdf**.

34. The Benefits and Costs of JTPA Title II-A Programs: Key Findings for the National Job Training Partnership Act Study

Author(s): *Howard S. Bloom, Larry L. Orr, Stephen H. Bell, George Cave, Fred Doolittle, Winston Lin and Johannes M. Bos*

Objective(s): This article reports the benefits and costs of *Job Training Partnership Act* (JTPA) Title II-A programs for economically disadvantaged adults and out-of-school youth in the United States. The paper outlines the programs' impacts on earnings and educational attainment, as well as the results of a cost-benefit analysis.

Key finding(s) referenced in the report:

- The study found a positive impact on earnings in the 30-month follow-up period for adult females ($1,837) and adult males ($1,599) enrolled in the programs. For the same period, participation in JTPA programs did not appear to increase earnings for female and male youth.
- Estimated impacts were positive during the in-program period (1 to 6 months) and during both post-program periods (7 to 18 months, and 19 to 30 months). However, not all of these impacts were statistically significant. For youth, there was virtually no sign of a positive impact on earnings during the programs or in the post-program periods.
- Programs included classroom training, on-the-job training, job search assistance and other services. The analysis of the programs' impacts on earnings shows positive impacts for adult women who participated in on-the-job training, job search assistance and other services, but few other significant impacts.
- JTPA programs had an appreciable positive impact on the educational attainment of adult women and female youth who were school dropouts, and may have had an impact on adult male dropouts.
- Incremental benefits were compared with incremental costs from three perspectives: 1) participants, 2) rest of society (all other persons than the participants) and 3) society as a whole (participants plus all other persons). JTPA programs were found to have positive net benefits for adults—both program participants and society as a whole—but not for the rest of society. For youth, net benefits were negative from all perspectives.

Availability: Howard S. Bloom, Larry L. Orr, Stephen H. Bell, George Cave, Fred Doolittle, Winston Lin and Johannes M. Bos, "The Benefits and Costs of JTPA Title II-A Programs: Key Findings for the National Job Training Partnership Act Study," *Journal of Human Resources*, vol. 32, no. 3, (summer 1997), pp. 549–576.

35. From Welfare to Work

Author(s): *Judith M. Gueron and Edward Pauly, with Cameran M. Lougy*

Objective(s): This book summarizes various studies of the impacts and cost effectiveness of welfare-to-work programs. It focuses on determining whether welfare-to-work programs and particular services are effective, and whether some are more effective than others.

Key finding(s) referenced in the report:

- Almost all of the welfare-to-work programs studied led to earnings gains. Such findings applied to both low-cost and higher cost programs and services, as well as to both broad-coverage and selective voluntary programs. In addition, impacts on earnings for both low-cost job search and higher cost programs were sustained for at least three years after participants' enrolment in the programs.
- Broad-coverage programs that began with a mandatory job search increased both employment rates and average earnings, but usually did not lead to higher paying jobs.
- Selective voluntary programs that provided higher cost or more intensive services appeared to lead to jobs with somewhat higher earnings, but they did not make a consistent difference in the proportion of people employed.
- Broad-coverage programs that included some higher cost services had greater average earnings impacts than those that did not.
- Average welfare savings were smaller than earnings gains. The inclusion of more intensive, higher cost services did not always result in welfare savings.

- The impacts of broad-coverage programs were not equal across all groups. Moderately disadvantaged individuals had the most consistent and largest earnings gains. The largest welfare savings were achieved among the more disadvantaged. There were usually no impacts on earnings or welfare receipt for the most job-ready participants.
- The cost effectiveness results indicate that welfare-to-work programs usually benefited those eligible for Aid to Families with Dependent Children (AFDC) but generally led to only modest increases in their measured incomes. These programs resulted in welfare savings related to participants benefiting from AFDC-Unemployed Parent, but these people did not always see earnings gains.
- Measured in terms of impact per dollar invested, low-cost job search/work experience programs produced larger earnings gains and—to some extent—welfare savings than programs that emphasized higher cost components.

Availability: Judith M. Gueron and Edward Pauly, with Cameran M. Lougy, *From Welfare to Work* (New York: Russell Sage Foundation, 1991).

36. The Labor Market Consequences of Experiences in Self-Employment

Author(s): *Donald Bruce and Herbert J. Schuetze*

Objective(s): This study uses the Panel Study of Income Dynamics (PISD) conducted in the United States to measure the effects of brief spells of self-employment on subsequent labour market outcomes.

Key finding(s) referenced in the report:

- The study found no empirical evidence that short self-employment spells increase wages relative to continued wage employment for men or women.
  - An additional year of self-employment might reduce men's earnings after they return to the wage sector by anywhere from 3% to 11%.
- Short spells of self-employment may increase the probability of unemployment from 3% to 10% and part-time employment by 10% to 30%.
- The negative labour market effects associated with unemployment spells are more severe than the consequences associated with self-employment.
  - Unemployment spells increase the probability of subsequent unemployment by 6% to 25% and part-time employment by 14% to 40%.

Availability: Donald Bruce and Herbert J. Schuetze, "The Labor Market Consequences of Experiences in Self-Employment," *Labour Economics*, vol. 11, no. 5 (2004), pp. 575–598.

37. 2012 Employment Insurance Premium Rate Report of the Canadian Employment Insurance Financing Board of Directors

Author(s): *Canadian Employment Insurance Financing Board*

Objective(s): This report presents the premium rates for 2012 and forecasts the break-even rate for the EI Operating Account.

Key finding(s) referenced in the report:

- Employee premiums increased in 2011 to $1.78 per $100 of insurable earnings, after remaining frozen at $1.73 in both 2009 and 2010 and declining for the 14 consecutive years up to and including 2008.
- Accordingly, employer premiums increased in 2011 to $2.49 per $100 of insurable earnings, after remaining at $2.42 in 2010 and 2009.
- The MIE increased to $44,200 in 2011 from $43,200 in 2010, $42,300 in 2009 and $41,100 in 2008.

Availability: This report can be found on the Canada Employment Insurance Financing Board's web site at **http://www.ceifb-ofaec.ca/en/PDF_Reports/2012%20CEIFB%20Rate%20Setting%20-%20English.pdf**.

38. 2012 Report of the Chief Actuary: Employment Insurance Rates of Premium Reduction for Registered Wage-Loss Replacement Plans

Author(s): *Canadian Employment Insurance Financing Board*

Objective(s): This report presents the details of the methodology and calculations that support the rates of premium reduction that will apply to registered wage-loss replacement plans in 2012.

Key finding(s) referenced in the report:

- Employers who participated in the Premium Reduction Program received a total of $861 million in premium reductions in 2010.

Availability: This report is available upon request.

39. Public Accounts of Canada 2011

Author(s): Public Works and Government Services Canada

Objective(s): This report is prepared annually by the Receiver General, as required by section 64 of the *Financial Administration Act*, and covers the financial transactions of the Government of Canada during the year.

Key finding(s) referenced in the report:

- In 2010/11, EI expenditures ($21.808 billion) exceeded EI revenues ($17.919 billion) and additional funding from the Government of Canada ($1.428 billion) by $2.462 billion. The cumulative deficit in the EI Operating Account was reported to be $7.397 billion as of March 31, 2011.
- A total of $1.428 billion was spent on the Economic Action Plan temporary EI measures in 2010/11. This total includes approximately $796 million for the extension of EI regular benefits by five weeks; $82.9 million to implement the Career Transition Assistance initiative; $49 million to enhance the Work-Sharing program; and an additional $500 million for Labour Market Development Agreements. The amount spent on temporary EI measures in 2010/11 is in addition to the $1.522 billion spent in 2009/10.

Availability: This report can be found on Public Works and Government Services Canada's web site at **http://www.tpsgc-pwgsc.gc.ca/recgen/pdf/49-eng.pdf**.

ANNEX 7

COMMUNITY PROFILES

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Annex 7.1: Community Profiles: Part I

Region	Unemployment Rate (%)[1]				VER[2] (Hours)		New Regular Claims[3]		Average Insured Hours		Average Regular Weeks Paid[4]	
	Annual		Monthly									
	2010/11	% Change[5]	High	Low	High	Low	2010/11	% Change[6]	2010/11	% Change	2009/10	% Change
Newfoundland and Labrador												
St. John's	7.4	-0.8	7.9	6.8	665	630	10,590	-10.1	1,360	0.8	22.6	3.0
Newfoundland and Labrador	19.3	-1.4	20.9	17.8	420	420	57,570	-6.4	1,076	0.7	29.5	-1.3
Prince Edward Island												
Prince Edward Island	11.6	-0.3	13.1	10.2	525	420	18,570	-4.1	1,176	-1.4	24.9	2.4
Nova Scotia												
Eastern Nova Scotia	15.6	-0.2	16.5	14.5	420	420	22,820	-0.8	1,100	-2.7	28.7	6.0
Western Nova Scotia	11.0	0.4	11.7	10.5	525	490	31,080	-5.2	1,267	-0.6	24.6	7.3
Halifax	6.3	-0.1	6.8	5.7	700	665	12,690	-7.6	1,450	0.5	22.7	11.3
New Brunswick												
Fredericton-Moncton-Saint John	7.1	0.6	7.7	6.7	665	630	20,020	1.0	1,406	-1.0	21.3	13.8
Madawaska-Charlotte[7]	11.1	-0.3	12.0	10.4	525	490	12,760	-8.7	1,228	-1.7	22.8	-1.1
Restigouche-Albert	14.2	0.2	15.9	12.7	455	420	41,750	-1.7	1,116	0.6	26.3	-2.2
Quebec								0.0				
Gaspésie-Îles-de-la-Madeleine	16.0	-0.3	18.0	14.0	420	420	26,590	-4.3	1,066	3.1	27.2	-0.8
Québec	5.1	0.3	5.8	4.5	700	700	34,530	-8.4	1,413	-0.6	17.8	9.8
Trois-Rivières	9.0	0.1	10.1	8.2	595	525	9,950	-7.2	1,313	-1.9	20.7	6.0
South Central Quebec	5.4	-1.2	6.3	4.4	700	665	10,420	-11.4	1,384	0.2	16.5	2.7
Sherbrooke	8.0	0.8	8.7	7.4	630	595	8,580	-11.0	1,340	-1.5	18.2	3.9
Montérégie	7.2	-0.7	7.8	6.7	665	630	30,400	-9.7	1,352	-1.7	20.5	4.1
Montréal	8.7	-0.7	9.2	8.2	595	560	150,210	-13.4	1,362	-1.5	23.4	12.7
Central Quebec	8.3	-0.8	8.7	7.8	630	595	75,920	-9.6	1,303	-0.7	20.3	4.6
North Western Quebec	10.6	-1.0	12.3	9.6	560	455	22,040	-11.5	1,227	1.6	22.4	2.0
Bas-Saint-Laurent-Côte-Nord[7]	11.0	-0.7	11.9	10.4	525	490	50,990	-6.0	1,233	2.2	21.5	-1.2
Hull	6.4	0.6	6.9	5.8	700	665	10,540	-1.7	1,397	-0.4	18.7	9.3
Chicoutimi-Jonquière	8.0	-0.6	8.5	7.6	630	595	11,540	-10.0	1,261	0.0	19.7	0.6

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Annex 7.1: Community Profiles: Part I *(Continued)*

Region	Unemployment Rate (%)[1]				VER[2] (Hours)		New Regular Claims[3]		Average Insured Hours		Average Regular Weeks Paid[4]	
	Annual		Monthly									
	2010/11	% Change[5]	High	Low	High	Low	2010/11	% Change[5]	2010/11	% Change	2009/10	% Change
Ontario												
Ottawa	6.4	0.7	7.1	5.8	700	630	18,840	-12.9	1,444	-2.8	22.5	15.9
Eastern Ontario	8.9	0.6	10.0	7.9	630	560	17,660	-6.5	1,393	-0.9	22.2	13.6
Kingston	6.0	-0.1	6.7	5.3	700	665	3,990	-12.3	1,437	-0.4	21.4	22.0
Central Ontario	9.3	-0.6	9.9	8.7	595	560	42,590	-16.0	1,381	-1.5	23.4	14.7
Oshawa	9.8	0.6	10.5	8.9	595	525	10,720	-18.2	1,401	-1.3	25.4	21.4
Toronto	9.0	-0.5	9.4	8.3	595	560	144,840	-19.8	1,435	-2.2	27.7	14.7
Hamilton	7.5	-0.8	8.0	6.7	665	630	20,710	-11.6	1,430	-1.2	24.6	12.8
St. Catharines	9.4	-1.1	10.7	8.2	595	525	16,150	-18.1	1,359	-2.9	24.7	15.8
London	8.5	-1.4	9.3	8.1	595	560	13,900	-19.3	1,425	-2.0	23.6	11.5
Niagara	10.5	-0.9	11.3	9.7	560	490	12,850	-16.1	1,371	-2.5	25.2	7.4
Windsor	11.5	-2.0	12.6	9.7	560	455	13,180	-13.6	1,402	5.9	23.2	4.9
Kitchener	7.6	-2.1	9.5	6.7	665	560	14,420	-18.7	1,456	0.0	24.8	8.2
Huron	9.8	-0.6	10.9	8.9	595	525	13,600	-18.1	1,356	-0.8	24.1	7.1
South Central Ontario	7.7	-0.5	8.2	7.0	665	595	14,580	-19.6	1,408	-2.7	22.3	9.1
Sudbury	9.1	-0.4	11.0	7.4	630	525	5,930	-44.1	1,342	-9.8	23.6	12.0
Thunder Bay	6.5	-1.8	7.2	5.2	700	630	4,310	-22.3	1,376	-2.3	22.0	12.9
Northern Ontario	12.1	-0.4	12.8	10.8	525	455	28,990	-16.9	1,279	-2.7	24.0	0.4
Manitoba												
Winnipeg	5.7	0.3	6.1	5.3	700	665	19,820	-14.7	1,445	-1.5	19.2	12.4
Southern Manitoba	5.6	-0.4	5.9	5.4	700	700	10,270	-10.7	1,396	0.0	18.2	8.4
Northern Manitoba	28.9	1.1	30.3	26.4	420	420	7,240	-8.7	1,238	1.0	27.0	5.7
Saskatchewan												
Regina	4.7	0.4	5.1	4.3	700	700	3,910	-23.8	1,443	-1.9	19.0	21.6
Saskatoon	5.4	0.7	5.8	4.5	700	700	6,540	-11.1	1,459	0.4	19.4	16.6
Southern Saskatchewan	6.9	-0.1	7.4	6.3	665	630	8,480	-16.7	1,383	-3.6	19.7	10.1
Northern Saskatchewan	17.7	1.4	18.9	17.0	420	420	10,540	-15.9	1,239	-2.5	24.6	0.9

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Annex 7.1: Community Profiles: Part I *(Continued)*

Region	Unemployment Rate (%)[1]				VER[2] (Hours)		New Regular Claims[3]		Average Insured Hours		Average Regular Weeks Paid[4]	
	Annual		Monthly									
	2010/11	% Change[5]	High	Low	High	Low	2010/11	% Change[6]	2010/11	% Change	2009/10	% Change
Alberta												
Calgary	6.8	0.0	7.7	5.9	700	630	29,610	-30.4	1,487	-3.1	24.6	10.0
Edmonton	6.8	-0.1	8.2	5.8	700	595	33,060	-17.3	1,504	-1.2	22.8	15.3
Northern Alberta	9.5	-0.5	9.9	8.8	595	560	8,670	-23.1	1,383	-4.6	23.5	9.0
Southern Alberta	7.2	-0.5	7.8	6.7	665	630	24,720	-33.4	1,450	-3.1	22.7	7.1
British Columbia												
Southern Interior B.C.	9.9	-0.3	11.1	9.2	560	490	34,220	-12.5	1,328	-0.9	23.9	12.5
Abbotsford	8.5	0.7	10.3	6.7	665	525	8,680	-8.5	1,244	-2.9	23.1	13.7
Vancouver	7.6	0.3	8.2	7.3	630	595	66,490	-15.3	1,420	-3.3	25.1	13.2
Victoria	6.7	-0.6	7.7	6.0	700	630	9,180	-11.7	1,442	-0.9	23.0	12.9
Southern Coastal B.C.	8.3	-0.4	9.6	7.4	630	560	24,670	-7.6	1,344	-0.4	22.7	10.0
Northern B.C.	11.4	-2.2	12.2	10.6	525	455	19,010	-23.8	1,270	0.3	24.5	8.1
Territories[8]												
Yukon	25.0	0.0	25.0	25.0	420	420	2,140	-1.8	1,155	-3.5	26.6	3.0
Northwest Territories	25.0	0.0	25.0	25.0	420	420	1,680	-12.0	1,201	-8.7	28.0	-1.2
Nunavut	25.0	0.0	25.0	25.0	420	420	1,110	19.4	1,230	-2.4	28.2	-3.7
NATIONAL	**8.5**	**-0.4**	**8.8**	**8.2**	**595**	**595**	**1,396,860**	**-13.6**	**1,338**	**-1.7**	**23.8**	**8.5**

Note: The local unemployment rates presented in this annex are those of EI economic regions. These regional rates come from the Labour Force Survey, with an adjustment made to include unemployment rates for status Indians living on Indian reserves, as per section 54(x) of the *Employment Insurance Act*. If this adjustment was performed on the national unemployment rate, the figure of 7.9% presented in Chapter 2 for 2010/11 would become 8.5%.

Source: EI administrative data, Labour Force Survey.

[1] Calculated using annual averages of seasonally adjusted data over fiscal years.

[2] The Variable Entrance Requirement (VER) ranges from 420 hours to 700 hours, depending on the regional unemployment rate.

[3] Includes claims for which at least $1 of regular benefits was paid.

[4] Data on claim duration are for claims established in 2009/10 to ensure all claims were completed.

[5] Percentage point difference between 2009/10 and 2010/11.

[6] Percentage growth between 2009/10 and 2010/11.

[7] Unemployment rates for these regions have been determined using a transition formula prescribed in the *Employment Insurance Regulations*.

[8] Yukon, Northwest Territories and Nunavut unemployment rates are set at 25% for EI purposes.

Annex 7.2: Community Profiles: Part II

Region	Average Regular Entitlement Weeks		% of Regular Entitlement Weeks Used[1]		Average Regular Weekly Benefit[2] ($)		% of Earners Who Received EI Benefits[3]
	2010/11	% Change[4]	2009/10	% Change[5]	2010/11	% Change	2009
Newfoundland and Labrador							
St. John's	34.7	-10.2	62.3	-1.7	387	3.5	19.8
Newfoundland and Labrador	43.5	-4.7	66.6	-1.7	369	3.3	45.7
Prince Edward Island							
Prince Edward Island	38.4	-7.8	63.7	-5.2	362	0.8	33.9
Nova Scotia							
Eastern Nova Scotia	42.5	-7.0	64.9	-3.7	371	2.0	33.8
Western Nova Scotia	38.3	-5.9	64.5	-3.3	355	1.9	26.6
Halifax	31.4	-16.8	62.8	0.9	352	2.1	14.8
New Brunswick							
Fredericton-Moncton-Saint John	32.2	-12.8	60.6	2.9	343	0.9	19.8
Madawaska-Charlotte	38.1	-9.1	58.7	-4.8	358	0.8	32.6
Restigouche-Albert	40.8	-4.3	64.4	-0.7	367	2.5	40.2
Quebec							
Gaspésie-Îles-de-la-Madeleine	42.7	-4.9	62.6	-0.2	379	2.9	43.2
Québec	28.9	-19.9	53.4	2.1	369	1.1	18.7
Trois-Rivières	36.7	-8.8	55.5	-2.8	377	1.5	23.3
South Central Quebec	27.9	-26.7	48.4	-3.7	356	1.6	29.9
Sherbrooke	31.9	-15.6	53.0	-2.0	358	0.3	24.5
Montérégie	30.6	-23.7	54.6	-3.5	356	1.4	24.1
Montréal	34.5	-19.8	56.8	-3.1	357	1.3	18.6
Central Quebec	35.0	-13.2	55.1	-4.8	374	1.3	27.9
North Western Quebec	37.4	-9.4	58.6	-1.0	389	2.6	28.6
Bas-Saint-Laurent-Côte-Nord	38.0	-8.6	56.0	-0.6	383	2.0	32.7
Hull	30.9	-12.8	56.5	2.0	378	0.7	14.5
Chicoutimi-Jonquière	33.1	-9.8	58.0	-0.5	380	2.4	27.0

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Annex 7.2: Community Profiles: Part II *(Continued)*

Region	Average Regular Entitlement Weeks		% of Regular Entitlement Weeks Used[1]		Average Regular Weekly Benefit[2] ($)		% of Earners Who Received EI Benefits[3]
	2010/11	% Change[4]	2009/10	% Change[5]	2010/11	% Change	2009
Ontario							
Ottawa	32.0	-18.0	59.2	3.2	372	-0.9	10.3
Eastern Ontario	35.0	-15.0	56.9	-4.4	358	1.1	16.8
Kingston	30.9	-19.6	59.1	9.3	358	-2.3	12.4
Central Ontario	35.3	-21.1	54.5	-4.9	359	1.8	17.5
Oshawa	38.2	-14.6	58.6	10.4	395	1.3	17.0
Toronto	37.6	-18.1	61.5	-3.5	370	0.8	15.2
Hamilton	33.6	-23.1	57.9	-0.9	371	1.0	15.9
St. Catharines	35.7	-22.9	55.7	-1.8	349	-1.3	19.9
London	35.6	-24.0	52.2	-7.4	361	-1.9	17.2
Niagara	38.4	-20.6	53.9	-5.0	382	1.5	20.9
Windsor	40.5	-18.7	49.1	-4.0	389	4.1	24.8
Kitchener	34.8	-26.3	54.1	-9.8	368	0.6	18.2
Huron	36.3	-21.1	54.7	-5.4	390	2.7	22.1
South Central Ontario	33.4	-24.5	52.3	-5.7	368	0.4	18.5
Sudbury	37.8	-19.6	53.8	-14.4	377	-3.5	19.2
Thunder Bay	30.0	-27.8	55.5	-1.8	386	0.5	16.8
Northern Ontario	40.9	-12.2	54.9	-7.4	387	1.7	21.1
Manitoba							
Winnipeg	30.6	-18.0	53.5	3.6	359	1.6	13.0
Southern Manitoba	28.5	-19.5	53.9	-1.0	358	1.9	14.6
Northern Manitoba	45.4	-7.4	56.7	3.2	364	0.0	19.0
Saskatchewan							
Regina	30.3	-19.1	54.0	11.9	384	1.4	9.6
Saskatoon	30.8	-13.6	56.3	9.3	385	1.8	11.2
Southern Saskatchewan	30.6	-20.1	53.7	-2.9	369	0.7	12.4
Northern Saskatchewan	45.7	-7.9	50.8	-3.9	381	0.8	17.0

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Annex 7.2: Community Profiles: Part II *(Continued)*

Region	Average Regular Entitlement Weeks		% of Regular Entitlement Weeks Used[1]		Average Regular Weekly Benefit[2] ($)		% of Earners Who Received EI Benefits[3]
	2010/11	% Change[4]	2009/10	% Change[5]	2010/11	% Change	2009
Alberta							
Calgary	33.8	-19.3	60.1	-1.8	406	1.6	13.0
Edmonton	34.6	-17.9	56.1	0.8	414	2.7	12.7
Northern Alberta	37.1	-18.2	54.7	-3.9	419	0.6	15.3
Southern Alberta	33.7	-22.2	54.5	-7.6	394	0.8	13.4
British Columbia							
Southern Interior B.C.	36.4	-16.6	57.6	-4.1	368	0.5	19.6
Abbotsford	30.8	-16.8	66.7	-1.8	322	-2.5	21.1
Vancouver	34.1	-16.4	63.6	-1.3	362	-1.7	13.9
Victoria	32.3	-20.3	59.1	-3.2	381	2.0	12.1
Southern Coastal B.C.	33.3	-20.0	57.4	-7.5	368	-0.1	19.1
Northern B.C.	39.6	-15.2	55.4	-5.1	399	1.8	21.8
Territories							
Yukon	44.6	-7.8	56.4	0.7	432	2.9	17.9
Northwest Territories	45.3	-11.1	56.8	-5.3	440	2.7	14.7
Nunavut	45.5	-8.8	57.2	-8.1	430	0.6	14.5
NATIONAL	**36.0**	**-15.9**	**58.1**	**-2.6**	**371**	**1.0**	**18.1**

Source: EI administrative data, Labour Force Survey.

[1] Data on claim duration are for claims established in 2009/10 to ensure all claims were completed.

[2] Takes into account Family Supplement top-ups paid to regular claimants.

[3] The most recent tax data available are for the 2009 taxation year.

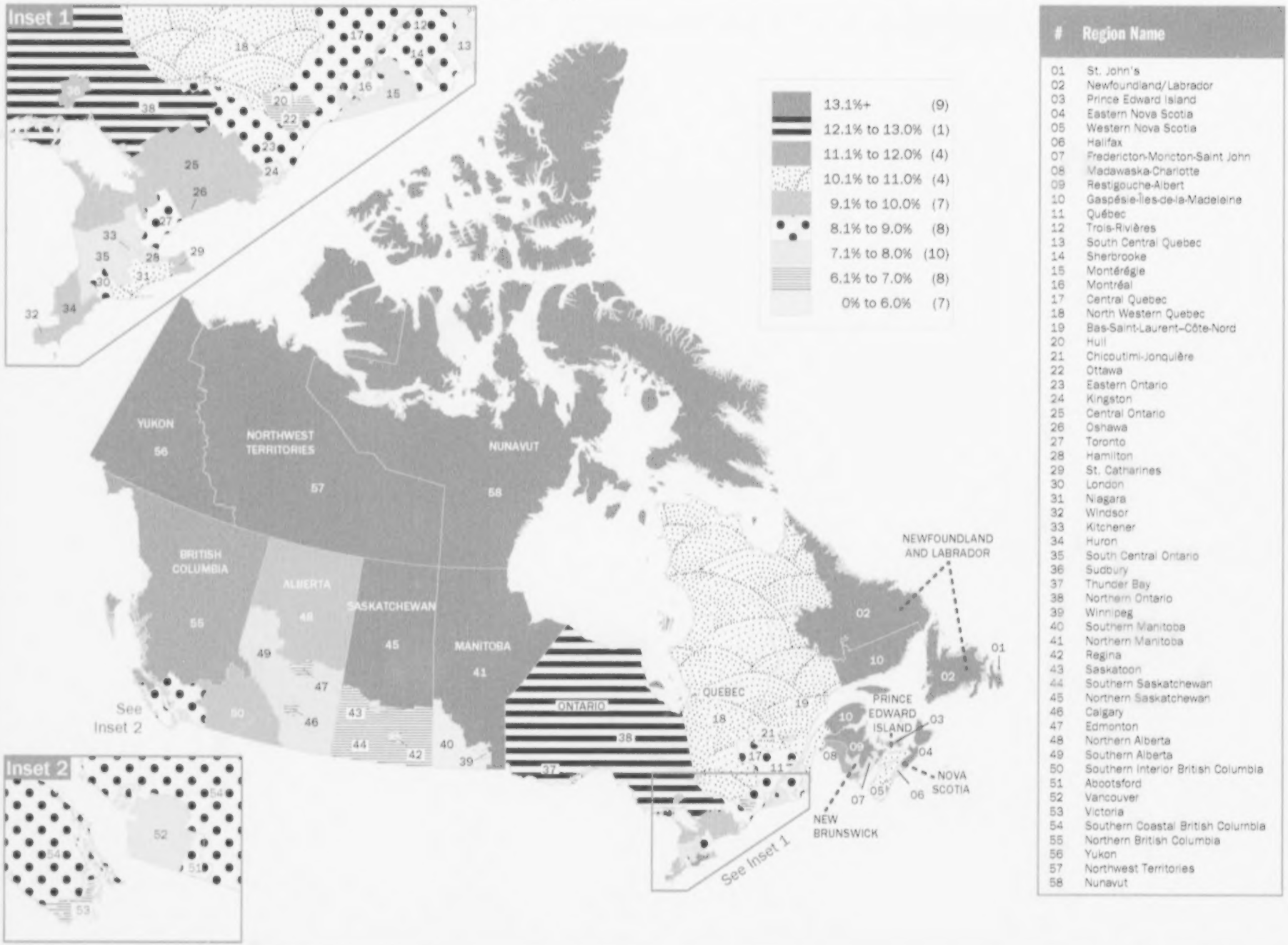
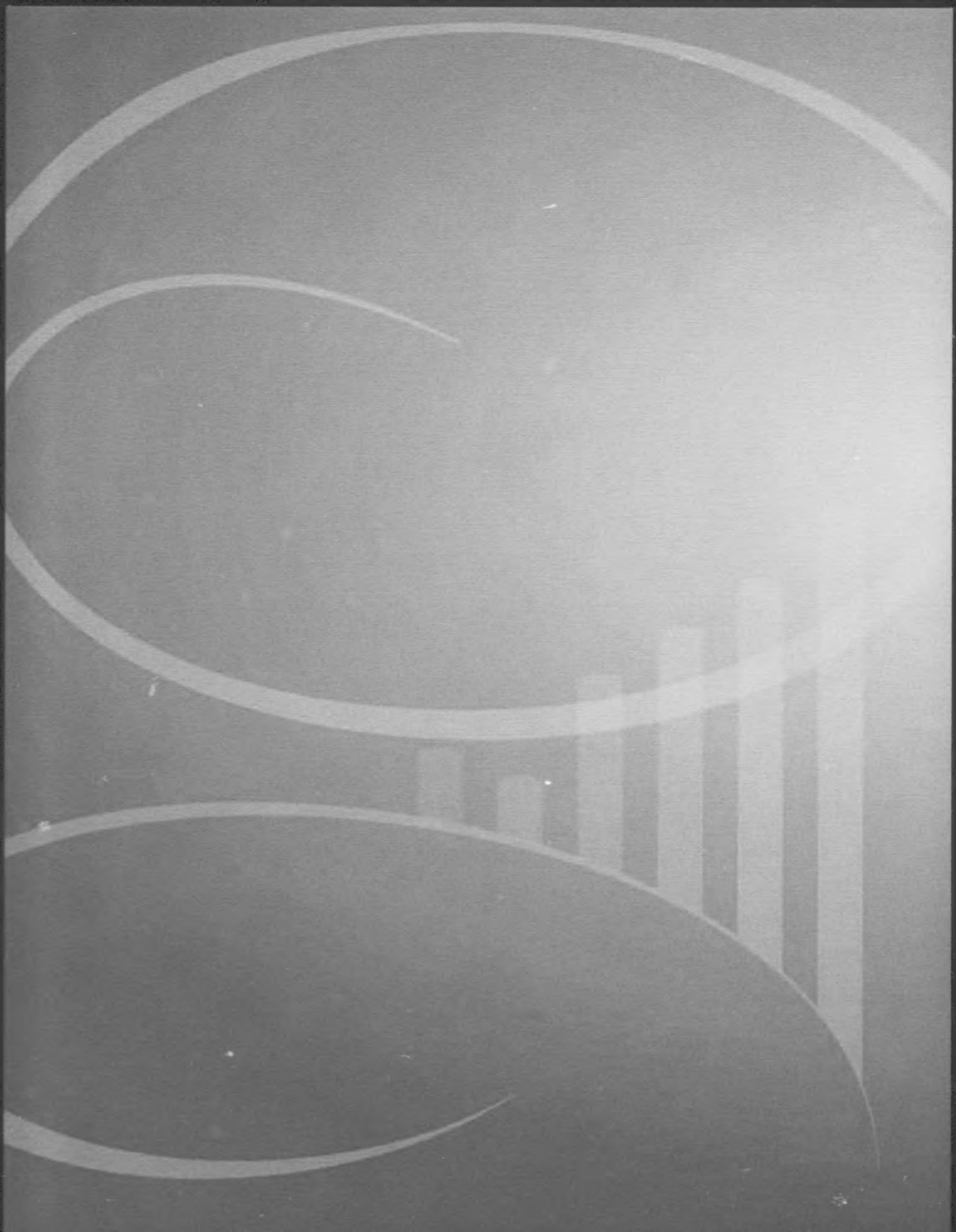
[4] Percentage growth between 2009/10 and 2010/11.

[5] Percentage point difference between 2008/09 and 2009/10.

ANNEX 7.3 — Employment Insurance Economic Regions

#	Region Name
01	St. John's
02	Newfoundland/Labrador
03	Prince Edward Island
04	Eastern Nova Scotia
05	Western Nova Scotia
06	Halifax
07	Fredericton-Moncton-Saint John
08	Madawaska-Charlotte
09	Restigouche-Albert
10	Gaspésie-Îles-de-la-Madeleine
11	Québec
12	Trois-Rivières
13	South Central Quebec
14	Sherbrooke
15	Montérégie
16	Montréal
17	Central Quebec
18	North Western Quebec
19	Bas-Saint-Laurent–Côte-Nord
20	Hull
21	Chicoutimi-Jonquière
22	Ottawa
23	Eastern Ontario
24	Kingston
25	Central Ontario
26	Oshawa
27	Toronto
28	Hamilton
29	St. Catharines
30	London
31	Niagara
32	Windsor
33	Kitchener
34	Huron
35	South Central Ontario
36	Sudbury
37	Thunder Bay
38	Northern Ontario
39	Winnipeg
40	Southern Manitoba
41	Northern Manitoba
42	Regina
43	Saskatoon
44	Southern Saskatchewan
45	Northern Saskatchewan
46	Calgary
47	Edmonton
48	Northern Alberta
49	Southern Alberta
50	Southern Interior British Columbia
51	Abbotsford
52	Vancouver
53	Victoria
54	Southern Coastal British Columbia
55	Northern British Columbia
56	Yukon
57	Northwest Territories
58	Nunavut

ANNEX 7.4 – Employment Insurance Economic Regions: Unemployment Rates, 2010/11



#	Region Name
01	St. John's
02	Newfoundland/Labrador
03	Prince Edward Island
04	Eastern Nova Scotia
05	Western Nova Scotia
06	Halifax
07	Fredericton-Moncton-Saint John
08	Madawaska-Charlotte
09	Restigouche-Albert
10	Gaspésie-Îles-de-la-Madeleine
11	Québec
12	Trois-Rivières
13	South Central Quebec
14	Sherbrooke
15	Montérégie
16	Montréal
17	Central Quebec
18	North Western Quebec
19	Bas-Saint-Laurent–Côte-Nord
20	Hull
21	Chicoutimi-Jonquière
22	Ottawa
23	Eastern Ontario
24	Kingston
25	Central Ontario
26	Oshawa
27	Toronto
28	Hamilton
29	St. Catharines
30	London
31	Niagara
32	Windsor
33	Kitchener
34	Huron
35	South Central Ontario
36	Sudbury
37	Thunder Bay
38	Northern Ontario
39	Winnipeg
40	Southern Manitoba
41	Northern Manitoba
42	Regina
43	Saskatoon
44	Southern Saskatchewan
45	Northern Saskatchewan
46	Calgary
47	Edmonton
48	Northern Alberta
49	Southern Alberta
50	Southern Interior British Columbia
51	Abbotsford
52	Vancouver
53	Victoria
54	Southern Coastal British Columbia
55	Northern British Columbia
56	Yukon
57	Northwest Territories
58	Nunavut